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Executive Board of the United Nations Development Programme/United Nations Population Fund

Report of the Executive Board on its work during 2003

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Note

Symbols of United Nations documents are composed of capital letters combined with figures.

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Part one
First regular session

**Held at United Nations Headquarters in New York
from 20 to 23 January 2003**

I. Organizational matters

1. The first regular session 2003 of the Executive Board of UNDP and UNFPA was held at United Nations Headquarters, New York, from 20 to 23 January.

2. The Executive Board elected the following members of the Bureau for 2003:

President: H.E. Mr. Roble Olhaye	(Djibouti)
Vice-President: H.E. Mr. Ahmed Al-Haddad	(Yemen)
Vice-President: Mr. Denys Toscano	(Ecuador)
Vice-President: Mr. Juraj Koudelka	(Czech Republic)
Vice-President: Ms. Kjersti Rodsmoen	(Norway)

3. Upon his election, the new President made an introductory statement that was posted on the web site of the Executive Board secretariat at www.undp.org/execbrd.

4. At the session, the Executive Board approved the agenda and work plan for its first regular session 2003 (DP/2003/L.1 and Corr.1), as orally amended, and its annual work plan 2003 (DP/2003/CRP.1). The Executive Board also approved the report on the second regular session 2002 (DP/2003/1).

5. Decisions adopted by the Executive Board in 2002 appeared in document DP/2003/2 while decisions adopted at the first regular session 2003 were included in document DP/2003/10, which could be accessed on the web site of the Executive Board secretariat at www.undp.org/execbrd.

6. The Executive Board agreed to the following schedule of future sessions of the Executive Board in 2003:

Annual session 2003: 6 June and 9-20 June 2003 (New York)
Second regular session 2003: 8 to 12 September 2003

Working methods of the Executive Board

7. In their comments on follow-up to the report on the rationalization of documentation and the streamlining of the working methods of the Executive Board (DP/2003/CRP.6), delegations focused on formalizing discussions at the sessions of the Board, creating sub-groups on themes to be agreed on in the work plans of the Board and improving the relationship between the Board and programme countries.

8. One outcome of the informal debates on improving the working methods of the Executive Board was the agreement that the agenda and work plan of sessions of the Board should be prepared and owned by the Board. Accordingly, the work plan for the annual session in June 2003 was extensively discussed in regional groups and in the plenary, resulting in some amendments. The revised work plan was posted on the Executive Board web site at www.undp.org/execbrd.

9. One delegation emphasized the importance of reaching a consensus on what actually were the inadequacies in existing methods, before considering proposals for their rectification. The delegation maintained that in most of the cases such inadequacies might be resolved within the framework of the existing rules of procedure. It also cautioned that a number of proposals contained in document

DP/2003/CRP.6 could have far-reaching consequences in the functioning of other United Nations bodies as well as financial consequences to UNDP, and might require legal counsel and consultations with United Nations conference services.

10. The Executive Board adopted decision 2003/1 (see document DP/2003/10) on improving the working methods of the Board in which members of the Board agreed, inter alia, that an item on improving the working methods of the Board should be included in the agenda of the annual session in June 2003.

UNDP segment

II. UNDP Business Plans 2000-2003

11. The Executive Board congratulated the Administrator and staff for their fine work in the implementation of the Business Plans, 2000-2003, and took note of the conference room paper providing additional information (DP/2003/CRP.8).

12. Delegations appreciated that UNDP had been transformed into a more effective, focused, decentralized and knowledge-based organization. At the country level, they noted that the resident coordinator system was producing impressive results. They also felt, however, that the Business Plans could have indicated areas where progress had been constrained, the nature of the constraints and what was being done to correct the situation. Some delegations recommended that an evaluation of the entire period of the Business Plans should be conducted to assess the impact of the transformation effort on the development results of the organization. Others suggested that an informal briefing session could be held in 2003 to allow for final analysis of the Business Plans, discuss what work remains, and determine how to integrate the Business Plans into the multi-year funding framework (MYFF) process and the biennial support budget, which would be presented to the Board at its second regular session in September 2003.

13. Delegations stressed that the increase in UNDP resources, especially the reversal in the declining trend of regular (core) resources, was a reaffirmation of the organization's steady progress in the right direction. They underscored, however, that unless core resources, which remained the bedrock of the organization, increased considerably, UNDP would not be able to fulfill its mandate. They stressed again that other (non-core) resources should complement and not replace regular resources.

14. The role of UNDP as campaign manager and scorekeeper in the implementation of the Millennium Development Goals (MDGs) was appreciated. Delegations noted, however, that the implementation of the MDGs was a multi-partner arrangement and UNDP should integrate its activities within the United Nations system and work closely with other multilateral institutions, especially the World Bank. They also stressed the vital role of UNDP in coordination and harmonization activities among United Nations organizations to avoid duplication. Delegations stressed the primary role of Governments and other national entities, such as civil society organizations, in designing, implementing and reporting on the MDGs. The role of technical cooperation among developing countries (TCDC) in the implementation of the MDGs was also encouraged.

15. The political (peace and security) and development dimensions were stressed as two sides of the same coin. To implement its mandate effectively, therefore, it was recommended that UNDP should work closely with concerned departments in the United Nations Secretariat.

16. Regarding the *Human Development Report*, some delegations recommended that UNDP should monitor the preparation of the reports closely to ensure that unreliable or incomplete data would not compromise their quality. It was also suggested that statistics from relevant national statistical departments and international institutions should be used in preparing the reports. It was also recommended that the issue of the *Human Development Report* should be taken up at the annual session of the Executive Board in June 2003.

17. In response, the Administrator observed that there was a strong concern to continue to mobilize core resources to match the vote of confidence in the organizational reforms that had taken place. He appreciated the recent growth in core resources but noted that the situation remained fragile and would not allow UNDP to address adequately and in a sustainable manner the many challenges and priorities of programme countries.

18. The Administrator concurred that there was a need to demonstrate that results were being achieved. He recommended that an external body should evaluate the work of UNDP and report on the impact of the implementation of the Business Plans – not only relating to internal changes – as they have affected development results on the ground in programme countries.

19. The Administrator stated that UNDP planned to make some modest shifts in the MYFF to reflect more comprehensively new priorities, including the need to align practice areas and the MDGs. He noted that the new Bureau for Crisis Prevention and Recovery (BCPR) had done a commendable job despite its limited capacity and that its programmes had been mainstreamed into the work of UNDP. To address the increasing challenges adequately, however, the capacity of BCPR needed strengthening. He indicated that UNDP would be presenting proposals to fortify BCPR in 2003.

20. The Administrator shared the sense of urgency regarding follow-up to the International Conference on Financing for Development in Monterrey and the World Summit on Sustainable Development in Johannesburg, stressing the need to move forward, especially in the area of public-private partnership. He also pointed to the importance of gaining actionable proposals from programme countries in the priority areas of water, energy, healthcare, agriculture and biodiversity with the support of civil society organizations. He underscored that UNDP would largely play a coordination and catalytic role, emphasizing the need to find innovative ways in which to move from rhetoric to real development. To that end, he underlined the vital role of South-South cooperation and other UNDP priority areas.

21. The Administrator reported the crucial links between information technology and business processes. He stressed that the acquisition of the Enterprise Resource Planning (ERP) software in UNDP would simplify business processes. The topic would be taken up in 2003.

22. The Administrator observed that the MDGs constituted a central organizing framework that set priorities for all stakeholders. He pointed out that the management and ownership of the MDG process were the responsibility of national

authorities, with the United Nations playing a promotional and supportive role. Within the framework of goal eight of the MDGs – developing a global partnership for development – he noted that, at the Monterrey conference, a compact had been made between the developing countries and their donor partners. The former agreed to undertake the necessary reforms and the latter to provide funding where those reforms were taking place.

23. The Administrator supported the idea of holding regular discussions on matters related to HIV/AIDS and the Joint United Nations Programme on HIV/AIDS (UNAIDS). He suggested that discussions should take place in a broader framework whereby the priorities and roles were specified in the fight against the epidemic. He also called for better coordination to mobilize adequate resources.

24. The Administrator concluded by emphasizing that harmonization and simplification formed a critical part of UNDP work. It was vital, he stressed, to have a simpler set of rules and procedures that cut across all funds and programmes and in turn connected to a much simpler process for multilateral development banks and bilateral donors. In the end, simplified rules and procedures would reduce transaction costs on programme countries.

25. The statement by the Administrator of UNDP to the Executive Board was posted on the UNDP web site at www.undp.org/execbrd.

III. Country programmes and related matters

26. The Executive Board approved, on a no objection basis, the country programmes for Bahrain, Bolivia, Botswana, Cameroon, Cape Verde, Comoros, Côte d'Ivoire, Cuba, Democratic Republic of the Congo, Dominican Republic, Equatorial Guinea, Guinea Bissau, India, Jordan, Liberia, Libyan Arab Jamahiriya, Malaysia, Maldives, Mali, Mauritania, Nigeria, Papua New Guinea, Seychelles, Samoa, Timor-Leste and Venezuela; the multi-country programme for the Cook Islands, Niue and Tokelau; and the multi-country programme for the Pacific Island countries. The Board also approved the extensions of the country cooperation frameworks for the Central African Republic and Thailand (DP/2003/8).

27. Following adoption of the country programmes on a no-objection basis, one delegation, speaking on behalf of Member States from the Western Europe and other States group, stated that those countries had joined the consensus on the Côte d'Ivoire programme to ensure that funding for the programme would not be delayed. The delegation, however, regretted that latest developments in Côte d'Ivoire had not been reflected in the country programme adopted a short time earlier. She recommended that the Executive Board explore ways in which to update a country programme after it had been finalized in order to account for exceptional developments.

28. The Executive Board also commented on the note by the Administrator on the country programme outline for Djibouti (DP/2003/4). It was suggested that the Government should work closely with the Intergovernmental Authority on Development (IGAD) in finalizing and implementing the country programme.

29. The Executive Board took note of the country programme outline for Djibouti (DP/CPO/DJI/1), and the comment made thereon, and the corrigendum to the second country cooperation framework for Panama (DP/CCF/PAN/2/Corr.1).

Assistance to Myanmar

30. The Assistant Administrator and Director, Regional Bureau for Asia and the Pacific, introduced the Note by the Administrator on UNDP assistance to Myanmar (DP/2003/3). He reaffirmed that the work of the assessment mission had been undertaken within the Executive Board mandate.

31. Delegations commented on the note and congratulated the Resident Coordinator and his colleagues for their efforts in implementing the Human Development Initiative (HDI) at the grass-roots level, often under difficult circumstances. They recognized that the needs of the population were great and underscored the urgency for expanded UNDP assistance at the grass-roots level. They expressed concern over the deteriorating socio-economic and environmental situation in Myanmar, including the HIV/AIDS epidemic, which could negate the impact on the sustainability of HDI achievements. Some delegations called for greater coordination in order to improve the effectiveness of the programme.

32. Regarding the UNDP mandate, three options emerged: (a) some delegations stated that they could not agree to flexibility in the current Executive Board mandate since the political situation had not improved sufficiently; (b) other delegations were prepared to be more flexible for UNDP to discuss policy issues with national authorities as they related to HDI areas; (c) others argued that UNDP should be given more flexibility to work with national authorities and possibly return to normal country programming as soon as possible.

33. Recommendations by the assessment mission were reviewed by the Executive Board within the framework of the current mandate governing UNDP assistance to Myanmar. There were different views on recommendations (d) on the micro-finance project and (g) on engaging personnel from the Agriculture and Forestry Departments as technical partners in relevant HDI sectors. Informal consultations were undertaken to resolve the differences.

34. In response, the Assistant Administrator and Director thanked delegations for their comments, noting that there was general recognition that the HDI had a successful impact on the target communities.

35. He reported that the humanitarian assessment report would be distributed to the international community in the first quarter of 2003. He also updated the Executive Board on the proposed poverty assessments and household surveys that would be undertaken during HDI phase IV, for which extensive preparatory work had been undertaken in 2002.

36. The Director observed that since there were no comments on recommendations (a), (b), (c) and (f), it was concluded that the Executive Board had endorsed them.

37. After further consultations on recommendations (d) and (g), the Executive Board adopted decision 2003/2 (see document DP/2003/10) on assistance to Myanmar in which, inter alia, it encouraged UNDP, within its mandate, to enhance the impact of

HDI phase IV, taking into account the report submitted by the independent assessment mission.

IV. Financial, budgetary and administrative matters

V. United Nations Office for Project Services

38. The Assistant Administrator and Director, Bureau of Management (BOM), introduced the report on the special reserve for separations relating to the United Nations Office for Project Services and the liabilities affecting UNDP (DP/2003/CRP.2). The Executive Board took note of the report without comment.

39. The Under-Secretary General, Department of Economic and Social Affairs, representing the Chairman of the Management Coordination Committee (MCC), made some introductory remarks. The Deputy Executive Director, United Nations Office for Project Services (UNOPS), introduced the report of the UNOPS Executive Director on the implementation of the UNOPS revised budget 2002 (DP/2003/CRP.3) and the independent review pertaining to the business model and related issues of the United Nations Office for Project Services (DP/2003/CRP.4). Also introduced and distributed as an information paper was the update on the implementation of the UNOPS revised budget 2002.

40. Delegations reviewed the reports on the work of UNOPS. They were pleased to see that progress had been made in the implementation of the 2002 budget, especially in project delivery and administrative expenditure, despite a difficult environment. In that regard, tribute was paid to the extraordinary efforts of UNOPS staff. They noted with cautious optimism the positive trend in UNOPS business variables and the projections that the operational reserve would remain above the $2 million threshold. They underlined, however, their previous concerns over the low level of the operational reserve. They urged the MCC and the management of UNOPS to continue to monitor the situation closely. They recommended strongly that the independent review should be undertaken without further delay so that the recommendations could be available before the new Executive Director was appointed. Several delegations announced contributions to cover the expenses of the independent review mission and requested that the selection of the review team should be undertaken as soon as possible, through an open, transparent and competitive process.

41. Delegations reaffirmed the importance and necessity of UNOPS as a service provider to United Nations organizations. They reiterated its independent and self-financing character.

42. In response, the Deputy Executive Director, UNOPS, observed that 2002 had been a difficult year because the organization had to undertake significant organizational changes while maintaining the level of service delivery. Notwithstanding, at year-end, results were apparent in income and expenditure with a cautious optimism for further improvements by closure of accounts for 2002. He noted that the management of UNOPS concurred with the concerns expressed by some delegations about the low level of the operational reserve. He assured the Executive Board that UNOPS would do everything to keep the level above the contingency plan preparedness threshold of $2 million.

43. Regarding the issue of full cost-recovery, the Deputy Executive Director reported that a UNOPS task force had examined and made proposals on issues related to the UNOPS fee structure that were being reviewed by management. UNOPS would present the findings and recommendations of the report to the MCC and share the outcome with the Executive Board in 2003. He stressed that full cost-recovery was a fundamental requirement of the UNOPS business model.

44. On the independent review, he observed that the Executive Board had approved comprehensive terms of reference at its second regular session in September 2002. He added that once adequate resources had been mobilized to cover the cost of the review, the team could start the review exercise immediately so that the report would be ready before the assumption of duty by the new Executive Director. He thanked those delegations that had made contributions for that purpose. He assured the Board that UNOPS, for its part, would help to ensure that the selection process for the review team would be transparent and competitive.

45. He stated that the report on the contingency plan with regard to the operational reserve (DP/2002/35/Add.2) had been reviewed and endorsed by the Executive Board in its decision 2002/21. UNOPS was already implementing some elements of the plan intended to control expenditures and to generate additional resources. He said that he did not foresee a liquidity problem and assured the Board that the situation would continue to be monitored closely by UNOPS management and the MCC.

46. He concluded by noting that the financial updates had been obtained from recorded actual figures, which had been adjusted downwards for prudential purposes.

47. The acting President of the Board, delegations, the representative of the MCC and the Deputy Executive Director of UNOPS paid tribute to Mr. Reinhart Helmke, the retiring Executive Director of UNOPS, for his 30 years of service to UNOPS and to other organizations of the United Nations both in the field and at Headquarters. They praised his stewardship in the establishment and growth of UNOPS, bringing it to the prominent role it was playing in the United Nations system. The acting President of the Board highlighted the service of Mr. Helmke as Director of the UNDP Division for Europe and the Commonwealth of Independent States, when he was responsible for opening a number of country offices, as well as his contribution as resident representative in Haiti at a critical time. They wished him well in his retirement.

48. The Executive Board was informed that the Secretary-General had appointed Mr. Gerald Walzer as interim Executive Director of UNOPS.

49. The Executive Board adopted decision 2003/3 on the financial situation of UNOPS, including changes in the level of the operational reserve, and decision 2003/4 on the independent review of UNOPS (see document DP/2003/10).

VI. Field visits

50. With regard to field visits, delegations expressed appreciation to the secretariat of the Executive Board for the conference room paper on field visits for 2003 (DP/2003/CRP.5). They endorsed the selection of Mozambique for the joint field

visit and Ecuador for the UNDP/UNFPA field visit in 2003. It was recommended that, given the importance of the joint report on field visits, guidelines on its preparation should be prepared and issued in advance of the mission. One delegation suggested that the role of UNDP and UNFPA in supporting South-South cooperation should be discussed during the field visit.

51. Comments were also made on the size of the mission and the number of annual joint field visits to enable wider participation of members of the Executive Board and ensure the effectiveness of such visits. The Board approved the terms of reference for the joint field visits in its decision 2003/6 and agreed on the proposed dates of ten working days and composition of up to 20 members for field visits.

Joint UNDP/UNFPA segment

VII. Recommendations of the Board of Auditors 2000-2001

UNDP

52. The Assistant Administrator and Director, BOM, introduced the report (DP/2003/6) and the update (DP/2003/CRP.7) on the implementation of the recommendations of the Board of Auditors for the biennium 2000-2001. Delegations commended the initiative of UNDP to create a fraud-prevention strategy that should be emulated by other United Nations organizations. The organization's achievements and improved effectiveness in contract management were also underscored. Delegations welcomed the unqualified opinion of the Board of Auditors and thanked UNDP for the report and the update.

53. Delegations supported the concept of capacity-building for national execution auditors and the use of country programme funds for that purpose. They stressed the need for transparency in financial management to preserve and attract additional funding and reliable partners.

54. Some delegations regretted that some of the recommendations of the Board of Auditors had not yet been applied in country offices. Some offices continued to be characterized by inadequate cost-recovery and a failure to meet deadlines such as submissions for 2001 inventory reconciliation. They also requested better monitoring of inactive trust funds and trust funds in deficit. They asked to be kept informed on the implementation of the ERP system and how the ERP would resolve some of the issues related to the Integrated Management Information System (IMIS). They also requested that UNDP should intensify its audit coverage of national execution and complete its reconciliation of the balances of United Nations organizations and Governments. They also requested that UNDP should take the necessary steps to have proper inventory control. Some delegations requested that UNDP should settle the outstanding balances from other funds and programmes related to the reserve for field accommodations.

55. Several delegations strongly recommended that the presentation of accounts should be harmonized and simplified.

56. In his response, the Assistant Administrator and Director, Bureau of Management (BOM), observed that UNDP had recently completed cost-recovery guidelines for country offices. He added that the United Nations Development Group (UNDG) had, within the simplification and harmonization arrangements, established a working group to report on financial and non-financial matters relating to donors.

57. Regarding the implementation of the ERP and PeopleSoft, the Director reported that UNDP would brief the Executive Board at its annual session or second regular session 2003. He also reported that arrangements had been made to brief the Advisory Committee on Administrative and Budgetary Questions (ACABQ) on the implementation of ERP. He informed the Board that the ERP had been designed to assist the auditors by providing clear electronic audit files to enhance data quality, ensure timely delivery and make improvements in functional areas such as procurement. He stated that ERP would replace the Integrated Management Information System (IMIS).

58. On cooperation with other partners who had selected an ERP, especially PeopleSoft, the Director observed that UNDP was working with United Nations organizations such as the United Nations High Commissioner for Refugees, International Fund for Agricultural Development, the United Nations Office on Drugs and Crime, the World Intellectual Property Organization, UNFPA and UNOPS, as well as the World Bank and the International Monetary Fund.

59. The release of the first version of the ERP with 17 modules, including finance, procurement, human resources and results-based management, was on target for launching in January 2004. The implementation of the ERP would help to improve the efficiency and effectiveness of office operations. Well-qualified programme staff officers would be recruited. Those changes would result in reducing the size of staff in country offices. Inactive trust funds and other data would be cleaned up. He added that UNFPA and World Food Programme receivables, related to the Reserve for Field Accomodations, would be closed very soon.

60. The Director concluded by observing that significant improvements had occurred in country offices thanks to the introduction of new financial regulations and rules, manuals and staff training. The introduction of ERP would help country offices to work better.

61. The Executive Board adopted decision 2003/5 (see document DP/2003/10) on the implementation of the recommendations of the Board of Auditors 2000-2001.

UNOPS

62. The Deputy Executive Director, United Nations Office for Project Services (UNOPS), introduced the follow-up to the report on the implementation of recommendations of the Board of Auditors for the biennium 2000-2001 (DP/2003/7). Delegations raised four specific issues: (a) the need for simplification of the financial relationships between UNDP and the service provider; (b) the importance of utilizing audits as management tools; (c) the use of Junior Professional Officers (JPOs); and (d) the importance of recommendations of the Board of Auditors on the financial situation of UNOPS.

63. In response, the Deputy Executive Director observed that the relationship between UNDP and UNOPS was indeed complex. UNDP was both an important UNOPS client and its major service provider both at headquarters and in country offices. He reported on the significant progress that had been made regarding reimbursements for services rendered, which were done as much as possible in a clear and transparent a manner. The new UNDP guidelines on reimbursements to country offices, which were transaction based, were particularly useful. Regarding auditing, he noted that, in the context of providing supervision and loan administration services to projects financed by the International Fund for Agricultural Development, UNOPS regularly assisted national staff in the use of audit recommendations as management tools since such projects were implemented under the national execution modality by national entities.

64. He clarified that UNOPS did not agree with the recommendation of the Board of Auditors that had linked the expanding use of JPOs to the financial difficulties of UNOPS, which gave the impression that JPOs were providing "free labour". He stressed, however, that UNOPS was pleased to expand its use of JPOs and underlined the responsibility of UNOPS to train and prepare them for long-term careers with UNOPS or other United Nations organizations.

65. He concluded by acknowledging UNOPS appreciation of the reviews and recommendations of the Board of Auditors that have proved particularly useful in establishing and monitoring business targets in the context of UNOPS business planning and budgeting exercises.

66. The Executive Board adopted decision 2003/5 (see document DP/2003/10) on the implementation of the recommendations of the Board of Auditors 2000-2001.

UNFPA

67. The Deputy Executive Director (Management) introduced the UNFPA report entitled Follow-up to the report of the United Nations Board of Auditors for 2000-2001: Status of implementation of recommendations (DP/FPA/2003/1). She highlighted that in their review of the biennium ended 31 December 2001, the Board of Auditors had issued an unqualified audit opinion. She underscored that UNFPA was fully committed to implementing recommendations of the Board of Auditors, including those regarding audits of nationally executed programmes. She added that UNFPA had made structural improvements to overall accountability and internal controls. In order to strengthen accountability and compliance, the implementation of audit recommendations had been included in the performance assessment of senior staff. The Fund had joined UNDP in the development of the Enterprise Resource Planning (ERP) system. The ERP, coupled with modernized electronic communications and improved connectivity, would facilitate up-to-date information/data exchange between headquarters and the country offices and greatly improve the management of nationally executed expenditures.

68. Several delegations commended UNFPA on the measures taken and the progress achieved in implementing the recommendations of the Board of Auditors and encouraged the Fund to continue with the full and timely implementation of recommendations. While emphasizing the need for fiscal discipline, one delegation underscored the responsibility of donors in providing UNFPA with adequate and

stable core resources. Several delegations welcomed the forthcoming finalization of service-level agreements for services provided by UNDP to UNFPA. A number of delegations commended UNFPA, UNDP and UNOPS on their efforts to develop a common fraud prevention plan. Some delegations urged UNFPA to bring to a rapid conclusion the outstanding matter with UNDP concerning the advance in respect of field accommodation. Delegations underscored that compliance with financial and management procedures by country offices was vital for results-based management and reporting. Noting their concern that nationally executed programmes presented challenges to accountability and transparency, some delegations urged capacity-building, including the use of country programme resources to train national auditors.

69. One delegation expressed concern regarding the modified audit reports issued by the Board of Auditors for UNDP, UNFPA and UNOPS and urged all three organizations to intensify their follow-up action with respect to accountability of implementing partners and audit coverage of nationally executed expenditures. A number of delegations encouraged UNFPA, UNDP and UNOPS to seek out and share best practices and to continue to work towards harmonization of procedures and regulations. One delegation appreciated the recent update by UNDP on follow-up measures and encouraged UNFPA to provide a similar update. One delegation emphasized that the United Nations system should not lag behind in taking advantage of information and communication technology (ICT). While underscoring the importance of the "human touch", the delegation urged the wide dissemination of knowledge about ICT, so that all countries could benefit from globalization.

70. The Deputy Executive Director (Management) thanked the delegations for their constructive comments and guidance and noted that UNFPA appreciated the advice and comments of the Board of Auditors. She thanked the delegation that had urged all donors to ensure that UNFPA had stable and adequate income. She confirmed that some service-level agreements had already been signed and the rest would be completed shortly. She agreed that it was important to rapidly conclude the matter concerning the advance in respect of field accommodation. She pointed out that the matter was not under the sole control of UNFPA as it jointly concerned UNFPA, UNDP and UNICEF. Regarding nationally executed programmes and their financial management, she concurred that capacity-building in that regard was vital. She pointed out that UNFPA was engaged in such capacity-building and the strengthening of country offices, including through the use of operations managers. She added that the ERP would also contribute to improving financial management. She noted that UNFPA was working on harmonization of procedures and regulations with other United Nations Development Group (UNDG) partners and she agreed that it would be useful for UNDG members to share best practices.

71. The Director, Division for Oversight Services, thanked the delegations for the encouraging remarks and advice. She assured the Executive Board that UNFPA made every effort to undertake timely follow-up to the recommendations of the Board of Auditors. She noted that at times the Fund was constrained from full and expeditious follow-up because of limited human resources in the organization and also because some of the recommendations had system-wide implications. She updated the Board on project audit coverage for 2000-2001, noting that final data indicated that actual coverage was 86 per cent, a significant increase compared to the previous biennium. She underscored that UNFPA continued to work with

country offices to improve their management practices and to ensure that they received the appropriate guidance.

72. The Executive Board adopted decision 2003/5 (see document DP/2003/10) on the implementation of the recommendations of the Board of Auditors 2000-2001.

VIII. Report to the Economic and Social Council

UNDP

73. The Director, Bureau for Resources and Strategic Partnerships (BRSP), introduced the report to the Economic and Social Council (DP/2003/5). Delegations congratulated UNDP for the high quality of the report, while stressing the need for a more analytical approach.

74. Delegations called for a more harmonized, unified and coordinated approach to the work of United Nations organizations, including the United Nations Office for the Coordination of Humanitarian Affairs (OCHA), with a view to improving effectiveness and efficiency and reducing transaction costs on national authorities. They emphasized the importance of joint meetings of the Executive Boards, joint monitoring and evaluation, and joint field missions, and underscored the need to demonstrate results on the ground, including the impact of UNDP in the poverty reduction strategy papers process.

75. Evolving relations with the Bretton Woods institutions, in particular the World Bank, were appreciated. Delegations advocated the strengthening of relations with the Bretton Woods institutions and called on UNDP to work closely with regional development banks.

76. While expressing their appreciation for improvements in gender balance – in particular at the resident coordinator level – delegations stressed the need to intensify such efforts. The importance of close monitoring and evaluation of the work of UNDP was also emphasized. Delegations called on United Nations organizations to share and compare the methodologies employed in monitoring and evaluation. Questions were also raised about the relationship between UNDP and the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD) and the impact of the replenishment of the International Development Association (IDA) on the UNDP resource situation.

77. The Director, BRSP, responded to the comments and issues raised. He noted the wish of the Executive Board to see more analytical reports and results on the ground, and the need to focus on areas where constraints were experienced, including strategies to address them. He affirmed that every effort would be made to ensure the necessary improvements.

78. Much work had been done to promote partnerships with regional development banks, especially with the Inter-American Development Bank and the African Development Bank. Likewise, discussions between UNDP and the Asian Development Bank had taken place to strengthen the partnership between the two organizations. He also observed that, as reported in previous meetings, it was too early to assess the impact on UNDP of the replenishment of the IDA.

79. On the role and impact of UNDP in the poverty reduction strategy papers process, the Director noted that the Evaluation Office was assessing the contribution of UNDP. Accordingly, the Executive Board would be briefed upon receipt of the evaluation report. He reiterated the commitment of UNDP to improve gender balance and mainstreaming in the organization, noting that efforts had been made to hire external female candidates to overcome structural deficits within the organization.

80. The Director stated that UNDP participated in the work of OECD/DAC in an observer capacity, within the legislative framework established by the Executive Board, as it did in other group meetings. He also explained that the references in the report to the relationship between UNDP and OCHA addressed efforts to strengthen the spirit of partnership between the two. He underlined that UNDP would continue to strengthen that partnership.

81. The Executive Board took note of the UNDP report to the Economic and Social Council (DP/2003/5) and agreed to transmit it to the Council with the comments made thereon.

UNFPA

82. The Deputy Executive Director (Programme) introduced the UNFPA report to the Economic and Social Council (DP/FPA/2003/2). He noted that the report examined a number of key issues identified in consultations among the members of the United Nations Development Group (UNDG). He highlighted four sections of the report of particular importance to UNFPA: funding for operational activities for development; capacity-building; humanitarian assistance; and follow-up to international conferences and the Millennium Development Goals (MDGs). He underscored that prospects for meeting the MDGs depended also on meeting the goals of the International Conference on Population and Development (ICPD), notably with regard to gender equality and universal access to reproductive health services by 2015. He emphasized that the MDGs could not be achieved without addressing population issues.

83. During the discussion, several delegations noted the progress made by UNFPA in light of the triennial comprehensive policy review (E/1998/48) and the MDGs, and expressed support for integrating ICPD goals, particularly those pertaining to reproductive health and rights, in the MDGs. One delegation was interested in knowing how UNFPA was helping to ensure that reproductive health and rights featured within sector-wide approaches (SWAps) and poverty reduction strategy papers (PRSPs). The delegation also asked if those areas were properly addressed within the context of national MDG reporting. A number of delegations appreciated the Fund's work in the area of capacity-building and emphasized that it was critical to build the capacity of recipient countries in the areas of population and development. Concerning staff arrangements under the new typology of country offices, one delegation stated that instead of uniform criteria the particular needs of individual countries should be taken into account. Several delegations commended the Fund's efforts to strengthen partnerships with foundations and the private sector. One delegation welcomed the collaboration with the World Bank and asked about the effect on UNFPA of the latest replenishment of the International Development

Association (IDA). Referring to the volatility of funding, one delegation encouraged UNFPA to further broaden its donor base in order to avoid over-dependence on a limited number of donors.

84. A number of delegations stressed the importance of coordination and collaboration among United Nations agencies and organizations. To illustrate the point, one delegation noted that the evaluation of UNAIDS had revealed that coordination of HIV/AIDS activities at the country level fell short of what was necessary to combat the epidemic. The delegation added that merely sending more money or personnel to the field would not necessarily increase efficiency and effectiveness -- what was required was an adequate skill mix. One delegation stated that it wished to see tangible results of how UNDG members were promoting joint programming, evaluations and assessments, among other things. The delegation stressed the need to reduce the burden on programme countries resulting from too many analyses and evaluation reports and meetings. One delegation asked for more information on building institutional capacity for monitoring and evaluation. One delegation, while urging greater alignment in the evaluation work done by United Nations funds and programmes, remarked that evaluation resources within the United Nations system should increasingly be pooled together. One delegation asked how UNFPA and UNDP intended to speed up and further stimulate coordination efforts among the UNDG members.

85. Several delegations stressed that the report should have been analytical, realistic and problem-oriented. They noted that while an impressive range of activities had been mentioned there was no clear indication in the report of concrete results or impacts achieved at the country level. The delegations pointed out that the report should focus on results, outcomes and impacts, as well as the challenges that lay ahead. One delegation added that future reports to the Economic and Social Council would benefit from a more in-depth analysis of how United Nations reforms were improving programming. One delegation asked why the report contained no reference to the Office for the Coordination of Humanitarian Affairs (OCHA).

86. One delegation welcomed the Fund's commitment to results-based management and asked how the new tools and systems were being used and what difference they were making to tracking performance on a routine basis. With regard to gender mainstreaming, one delegation was pleased to note that women occupied 47 per cent of all professional posts at UNFPA. Some delegations wished to see more reporting on results, impacts or indicators of progress in terms of gender. The delegations asked to know more about how men were included in the Fund's programme activities. With regard to the resident coordinator system, one delegation welcomed UNDG efforts to address the issue of gender imbalance and asked to know what were the causes of the persisting imbalance. One delegation was concerned that currently there were no resident coordinators recruited from UNFPA. One delegation was interested in knowing more about the resident coordinator "coordination competency" and why it was important for the work of UNFPA.

87. A number of delegations asked for more information regarding the preparations to mark the tenth anniversary of ICPD. One delegation noted that in the Fund's consultations, in the run-up to the tenth anniversary, there should be a focus on progress achieved to date in implementing the ICPD Programme of Action. While stating that the tenth anniversary of ICPD ought to have a strictly ceremonial and technical nature, one delegation underscored that the focus should remain on

strengthening the commitment to implementing the ICPD Programme of Action and the key actions for its further implementation.

88. The Deputy Executive Director (Programme) thanked the delegations for their constructive comments and concurred that coordination was very important for the United Nations system. He stated that a great deal of progress had been made in the area of United Nations reform, including in the area of coordination. He noted that while there had been encouraging developments related to the United Nations Development Assistance Framework (UNDAF), simplification and harmonization, the MDG workshop and the work of the United Nations country teams, many challenges remained with regard to results-oriented planning and implementation, as well as participation in PRSPs and policy dialogue. He added that quality assurance issues were being addressed with regard to United Nations common country assessments (CCAs) and UNDAFs. He stated that as an active member of UNDG, UNFPA had participated in and contributed to a number of working groups and task forces that were focusing, inter alia, on such issues as simplification and harmonization. He hoped that in the future the Fund's contributions to SWAps and PRSPs would become more visible. He noted that with the completion of the Fund's transition process, the focus would be on driving the programme operations process and systems development, in ways consistent with UNDG thinking on streamlining operations, developing indicators, statistical mapping and MDG monitoring. He observed that UNFPA was working on the Enterprise Resource Planning (ERP) system with UNDP.

89. With regard to the resident coordinator system, he noted the progress made and indicated that UNFPA would encourage more of its staff to seek resident coordinator positions. He pointed out that the partnership with the World Bank had been strengthened and collaboration had been expanded through many new activities, including a jointly organized training course to strengthen skills in such key policy processes as PRSPs and SWAps. Regarding the query on the IDA replenishment, he hoped that the United Nations system would develop successful models for wider replication to become part of national programmes that could be scaled up through IDA loans. He observed that the United Nations funds and programmes had much to contribute in countries making the transition from conflict to reconstruction, where the World Bank experience and linkage with national authorities might be limited. In that regard, noting the comparative advantages of the funds and programmes, he pointed out that collaboration with the World Bank could be further expanded.

90. In responding to the comments on capacity-building, he stated that in implementing the new typology of country offices the Fund would be flexible and responsive to specific country needs. He observed that in carrying out reforms the challenge was to link results-based management objectives and indicators with country programmes, CCAs and UNDAFs, and, at the same time, to strengthen monitoring and evaluation. Concerning the query on institutional capacity-building in monitoring and evaluation, he noted that UNFPA had developed a monitoring and evaluation toolkit and established a network of evaluation experts. He added that a great deal of collaboration was taking place among the evaluation experts of UNDG member organizations.

91. With regard to the query concerning mainstreaming men in reproductive health programme activities, he noted that UNFPA was committed to supporting gender mainstreaming in all its activities. For example, the attitudes of men and boys were

important factors considered in developing HIV/AIDS prevention strategies and activities. Concerning the query on OCHA, he stated that UNFPA had had excellent collaboration with OCHA, as well as with other United Nations organizations and non-governmental organizations. He added that the Fund had participated in 20 consolidated appeals processes led by OCHA. He also pointed out that it was only in recent years that UNFPA had managed to position itself as an effective and relevant humanitarian response agency. With regard to marking the tenth anniversary of the ICPD, he concurred with the views expressed by delegates and observed that UNFPA was awaiting the outcome from the working group mandated by the General Assembly. He noted that UNFPA was planning a national review process and some regional and technical meetings. He fully agreed that it was essential to maintain the momentum of implementing the ICPD Programme of Action.

92. The Executive Board took note of the UNFPA report to the Economic and Social Council (DP/FPA/2003/2) and agreed to transmit it to the Council with the comments made thereon.

UNFPA segment

Statement by the Executive Director

93. The Executive Director congratulated the members of the incoming bureau of the Executive Board on their election, and thanked the members of the outgoing bureau for their able guidance and leadership. In updating the Executive Board on key developments, she underscored that 2002 had been a difficult and challenging year for UNFPA. At the same time, it had been a year of overwhelming affirmation and support for the Fund and its mission. Most recently, the commitment to implementing the Programme of Action of the International Conference on Population and Development (ICPD) had been reaffirmed at the Fifth Asian and Pacific Population Conference, held in Bangkok, Thailand, in December 2002. She underscored the affirmation and support for the indispensable recognition of population and reproductive health as a key underpinning for achieving the Millennium Development Goals (MDGs). She noted that affirmation and support for women's rights and women's reproductive health and for the work of UNFPA were also clearly visible in the "34 Million Friends Campaign", a grass-roots campaign started by two American women to mobilize $34 million for the Fund.

94. She noted that the Fund's 18-month transition process had been completed in December, on schedule. The driving aim of the transition was to strengthen the capacity of UNFPA and its staff to work strategically within the Millennium agenda and to plan and manage for results. She stated that the work done in the context of the transition would underpin the Fund's organizational priorities in 2003. Turning to the crucial issue of resources, she underscored the importance of core resources and the neutrality and universality that they brought with them. While noting the serious financial crisis that UNFPA had faced in 2002, she observed that resource mobilization would remain a major challenge in 2003 and beyond. She thanked the Fund's major donors for their strong support and emphasized that a record number of programme countries, in spite of their own financial constraints, had made

contributions to UNFPA. She noted that 131 countries had pledged financial contributions to UNFPA during 2002, a new all-time record.

95. In highlighting the Fund's partnerships within the United Nations system, including the important work being done by the United Nations Development Group (UNDG) in support of country offices, she stated that it was gratifying to see the commitment of the United Nations funds and programmes to simplify, harmonize and respond with a renewed sense of commitment to the second phase of the Secretary-General's reform. She updated the Executive Board on the Fund's strengthened relationship with two key partners, namely, the World Bank and the World Health Organization. She also highlighted the Fund's efforts to increase its participation in the poverty reduction strategy paper (PRSP) process. She hoped that some extrabudgetary resources would become available to specifically address developing the Fund's capacity to participate in PRSPs, sector-wide approaches and other national development dialogues.

96. With regard to implementing the ICPD Programme of Action, she noted that in approaching the mid-point of the 20-year Programme of Action it was important to have a pragmatic and constructive country-by-country analysis of achievements and constraints. She stated that UNFPA had initiated a field inquiry on national experiences, in both developing and developed countries. UNFPA was also exploring other avenues to analyse national experiences and lessons learned. The Executive Director concluded her statement by expressing profound appreciation to the Executive Board for the overwhelming support provided to UNFPA.

97. Thirty-three delegations took the floor to express their strong support and firm commitment to UNFPA. The delegations thanked the Executive Director for her dynamic leadership and for her excellent and inspiring statement. Numerous delegations thanked UNFPA for the assistance provided to their countries, particularly in the area of population and development, including reproductive health. Underscoring the important role of UNFPA in helping countries to implement the ICPD Programme of Action and achieve the MDGs, numerous delegations affirmed their political and financial support for UNFPA. Delegations were pleased to note the Fund's efforts in ensuring that the MDGs had a more visible place in its work. Numerous delegations emphasized that the goals of the ICPD Programme of Action, particularly those pertaining to reproductive health, were essential to achieving the MDGs. One delegation commended UNFPA for its active participation in the PRSP process and in the area of sectoral support.

98. Several delegations congratulated UNFPA on its serious efforts to address the shortfall in financial resources. Delegations emphasized that UNFPA needed predictable and increased core resources in order to carry out its mandate and assist countries in achieving the MDGs. Numerous delegations called on donor and other countries to increase their contributions to UNFPA. A number of delegations announced increases in their 2003 contributions to UNFPA. One delegation noted that while maintaining its core contribution to UNFPA it was ready to explore greater multi-bilateral support.

99. Several delegations underscored that UNFPA was the only multilateral organization focusing on population issues. Numerous delegations commended the Fund's work in such areas as reproductive health and rights, gender and women's empowerment. While observing that the past year had been a challenging one for UNFPA, one delegation noted that the situation had compelled countries to think

more thoroughly about the central importance of reproductive health to the development agenda. Delegations welcomed the Fund's 2002 report on the state of world population, and were pleased to note that the report highlighted, inter alia, the relationship of reproductive health to poverty reduction. One delegation pointed out that population issues could not be dealt with in isolation and should be regarded as part of a comprehensive development strategy. Several delegations were encouraged to hear about the Fund's efforts to enhance its efficiency and accountability. Numerous delegations commended UNFPA for its collaboration with other development partners, including the World Bank.

100. A number of delegations stated that they were impressed to note the commitment to the ICPD Programme of Action demonstrated at the Fifth Asian and Pacific Population Conference in Bangkok. One delegation appreciated the Fund's leadership in organizing the 2002 International Parliamentarians' Conference on the Implementation of the ICPD Programme of Action, held in Ottawa, Canada, in November. The delegation pointed out that the Ottawa Commitment was a tangible sign of renewed commitment to the promotion of reproductive rights and other critical principles of the ICPD Programme of Action, including universal access to reproductive health services, and the empowerment of women. One delegation encouraged UNFPA to support programme countries in collecting and disseminating best practices. Referring to the open-ended ad hoc working group established by the General Assembly on the integrated and coordinated implementation of and follow-up to the outcomes of the major United Nations conferences and summits in the economic and social fields, one delegation stated that it looked forward to the contributions of the working group and urged UNFPA to take them into account in following up on the implementation of the ICPD Programme of Action and ICPD+5, as well as in marking the tenth anniversary of the ICPD.

101. The Executive Director thanked the delegations for their overwhelming support and assured the Executive Board that UNFPA would work diligently to produce results. She concurred that there were strong linkages between the goals of the ICPD Programme of Action and the MDGs. She underscored that meeting the reproductive health goals would be essential to achieving the MDGs. She noted that UNFPA looked forward to receiving inputs from the open-ended ad hoc working group, including with regard to marking the tenth anniversary of the ICPD. She stated that UNFPA would certainly contribute to consultations and the work of the working group. She expressed her deep gratitude to all the countries that had increased their contributions in 2002 and that planned to do likewise in 2003. In particular, she thanked the Netherlands for being a strong champion of the Fund. She also thanked all the countries that she had visited during 2002, and expressed warm appreciation for their hospitality, cooperation and the rich exchange of views. She concluded by reiterating her gratitude to all delegations for their firm support and commitment to UNFPA. She assured the Executive Board that UNFPA would remain firmly committed to ICPD principles and to implementing the ICPD Programme of Action.

IX. Country programmes and related matters

102. In his introductory remarks, the Deputy Executive Director (Programme) noted that the 23 programmes before the Executive Board represented the first group of country programmes to be approved under the new harmonized programming

procedures, in accordance with Executive Board decision 2001/11 on the UNDP/UNFPA programming process. He underscored that the country programmes reflected strong ownership by governments, active participation by the donor community and close collaboration between headquarters and the field. He added that UNFPA would continue to work closely with sister agencies to achieve greater harmonization, simplification and standardization of procedures.

103. At the request of a number of delegations, the Director, Africa Division, updated the Executive Board on the country programme for Côte d'Ivoire. Noting the current crisis in the country, she underscored that normal life and the delivery of essential services had been severely disrupted, and in some areas the delivery of health services had come to a virtual standstill. While cautioning that the current crisis might jeopardize the implementation of the new country programme, she emphasized that past experience had demonstrated that in conflict situations there was a heightened need for UNFPA assistance in the area of reproductive health. The crisis in Côte d'Ivoire had increased not only the relevance of, but also the urgent need for the Fund's interventions to reduce maternal mortality and the spread of HIV/AIDS and other sexually transmitted infections (STIs). She informed the Board that UNFPA had already been called upon to provide emergency assistance in the form of delivery kits for both displaced women and those forced to deliver at home due to the conflict. She stressed that UNFPA support to the country was greatly needed and should continue. She stated that UNFPA, in collaboration with the Government and other United Nations agencies, had prepared an emergency intervention plan in reproductive health focusing on the provision of delivery kits for pregnant women, management of obstetric complications, prevention of violence against women and girls and the prevention of HIV/AIDS and other STIs. She pointed out that initial programme implementation would focus on those areas, and once normalcy was restored, implementation of other components of the country programme would be initiated. She added that an update on the programme could be provided at the annual session in June 2003, if the Board so wished.

104. The Executive Board approved the following country programmes: Botswana, Burundi, Cameroon, Comoros, Côte d'Ivoire, Equatorial Guinea, Guinea-Bissau, Mali, Mauritania and Nigeria in the Africa region; Djibouti and Jordan in the Arab States region; Bangladesh, China, India, Maldives, Papua New Guinea, the South Pacific subregion, and Timor-Leste in the Asia and Pacific region; and Bolivia, Colombia, El Salvador and Venezuela in the Latin America and the Caribbean region.

105. Following the approval of the 23 programmes, the delegation of the United States stated that it continued to have deep concerns about UNFPA activities in China. Noting that while targets and quotas had been lifted in the 32 counties supported under the fourth country programme, other "coercive" practices aimed at limiting family size, including financial penalties and the loss of employment, had not been removed. The delegation urged UNFPA to address fully the issue of coercion and requested the Executive Director to report periodically on whether counties in which UNFPA operated had ceased coercive "birth limitation" practices. The delegation stated that it could not support the programme in its current form.

106. The delegation of China thanked the Executive Board for the approval of the China country programme. The delegation underscored that the new country programme had been prepared in line with the Programme of Action of the

International Conference on Population and Development (ICPD) and the Millennium Development Goals. The delegation noted that the views of Executive Board members had been extensively solicited during the programme design and formulation process, through their embassies in China, and many of the suggestions had been incorporated. The delegation pointed out that China had engaged in three rounds of high-level consultations with the United States regarding the content of the programme. The delegation stressed that it did not agree with the United States that the cooperation programme between China and UNFPA contained "coercive" elements. The delegation added that China supported the work of UNFPA and was willing to collaborate with all countries, including the United States, to strengthen the Fund's work and enhance the implementation of the ICPD Programme of Action to benefit humanity.

107. A number of other delegations took the floor to thank the Executive Board for the approval of the 23 country programmes and to express appreciation for the support provided by UNFPA to their respective countries. With reference to the country programme for Côte d'Ivoire, one delegation, speaking on behalf of Member States from the Western Europe and other States group, stated that it had taken note of the additional information provided by UNFPA. Recalling a point made earlier, during the UNDP segment, the delegation noted that it looked forward to finding ways to update a country programme to take into account exceptional circumstances arising after a programme had been finalized.

108. The Executive Director thanked the Executive Board for approving the 23 programmes. She assured the Board that UNFPA adhered closely to the letter and the spirit of the ICPD Programme of Action in implementing programmes.

X. Other matters

109. The Executive Board discussed and agreed to hold informal meetings on the multi-year funding framework, the *Human Development Report* and harmonization and simplification procedures before the annual session in June 2003.

110. The joint session of the Executive Boards of UNDP/UNFPA and UNICEF, with the participation of WFP, was postponed to the annual session 2003 to allow for adequate preparation.

Part two
Annual session

Held at United Nations Headquarters in New York from 6 to 19 June 2003

I. Organizational matters

1. The annual session 2003 of the Executive Board of UNDP and UNFPA met from 6 to 19 June in New York. At the session, the Executive Board approved the agenda and work plan for its annual session 2003 (DP/2003/L.2 and Corr.1), as orally amended, and the report on the first regular session 2003 (DP/2003/9).

2. It agreed in decision 2003/21 to the following schedule of future sessions of the Executive Board in 2003 and 2004:

Second regular session 2003:	8 to 12 September 2003
First regular session 2004:	26 to 30 January 2004
Annual session 2004:	14 to 25 June 2004 (Geneva)
Second regular session 2004:	20 to 24 September 2004

3. Decisions adopted at the annual session 2003 were included in document DP/2003/26 accessible at www.undp.org/execbrd/index.htm.

UNDP segment

II. Annual report of the Administrator

4. The Administrator was congratulated for his reappointment to a second term in recognition of his outstanding performance during the first term and his commitment to the MDGs. He was also commended for his overview statement on his annual report for 2002 (DP/2003/11), including the report of the Joint Inspection Unit (DP/2003/11/Add.1) and statistical annex (DP/2003/11/Add.2), and his vision for the second term. Delegations also discussed the reports on the multi-year funding framework (MYFF) (DP/2003/12 and DP/2003/CRP.14).

5. UNDP was congratulated for its performance in the current MYFF cycle (2000-2003). They commended the organization for: (a) its support in the preparation of the *Human Development Report* and the regional and national human development reports; (b) strengthening partnerships with governments, the private sector, non-governmental and civil society organizations, intergovernmental regional groups and international financial institutions, in particular the World Bank; (c) coordinating activities at the country level to improve coherence, efficiency and effectiveness; (d) promoting, advancing and monitoring the MDGs in support of programme countries; (e) supporting efforts in peace-building and countries in special development situations, as well as democratic governance, especially in decentralization and local governance, electoral processes, institution-building and human capacity development.

6. On staffing, delegations observed that improvements in the assessment of resident coordinators had resulted in hiring high quality staff, and noted that staff confidence and motivation had improved as demonstrated by the global staff survey.

7. On resources, delegations welcomed the upward trend in regular resources. They noted, however, that the level of core resources had remained below target. They urged Member States in a position to do so to increase their regular contributions.

8. Some delegations stressed that the main role of UNDP was to assist programme countries in accordance with their national policies and priorities. Capacity-building in the context of South-South cooperation was also underscored.

9. Some delegations sought clarification on how UNDP intended to: (a) strengthen United Nations collaboration and ensure that the various activities of members of the United Nations Development Group (UNDG) were harmonized to complement one another; and (b) deal with HIV/AIDS and the environment in support of programme countries.

10. Delegations recommended that: (a) the annual report of the Administrator should be more results oriented and analytical – pointing out areas of success, where difficulties were experienced, and planned actions to resolve them; (b) the results-oriented annual report (ROAR), the MYFF and annual reports of the Administrator should be realigned to avoid duplication; (c) the organization should be more focused in line with its comparative advantage; (d) strengthen further UNDP partnership with international financial institutions, in particular the World Bank, regional entities, the private sector, and civil society organizations; (e) UNDP should continue its efforts in gender-mainstreaming in collaboration with the United Nations Development Fund for Women (UNIFEM); (f) UNDP should simplify and refine further the content and format of the succeeding MYFF, 2004-2007, so that it become the main UNDP policy document and strategic resource mobilization and management tool.

11. Responding to comments about his annual report for 2002, the Administrator acknowledged that there was a need to improve the quality and timeliness in reporting on financial and programme matters. He reported that the Bureau for Resources and Strategic Partnerships had been strengthened and the Enterprise Resource Planning (ERP) system introduced to address those challenges. He also stressed that the overall goal of the organization was to assist national authorities in developing capacities at various levels as determined by governments. Regarding support to the asset base of the poor, the Administrator advised that the United Nations Capital Development Fund (UNCDF) had been streamlined to focus on local governance in order to empower the poor and improve their living standards by providing micro-finance to small and medium-sized enterprises.

12. The Administrator reported that the launch of the *Human Development Report* on the Millennium Development Goals in Dublin and Maputo in 2003 was an attempt to strengthen the partnership among developed and developing countries. He also observed that the structure of the MDGs had been designed to benefit from the comparative advantages and competencies of various organizations in order to realize the overall goal of ending human poverty.

13. He appealed for more support to the organizations regular (core) resource base so that the new UNDP could adequately meet the demands of programme countries.

14. Regarding comments on the MYFF, UNDP representatives noted that there was a need to measure and present results better, be more focused in programme thematic areas, improve the methodology and format of the second MYFF 2004-2007 and simplify its presentation. They also noted that the content of the second

MYFF could, inter alia, include governance, crisis prevention and recovery, as well as cross-cutting issues such as gender. They noted the comment that UNDP areas of focus in energy and environment programmes at the country level should depend on its comparative advantage vis-à-vis other stakeholders within the framework of the common country assessment (CCA) and the United Nations Development Assistance Framework (UNDAF). They reiterated that the overarching goal would continue to be poverty reduction.

15. The Executive Board was advised that before the report on the second MYFF, 2004-2007, (DP/2003/32) was finalized for presentation at the second regular session 2003, more consultations would be undertaken, including with members of the Board through bilateral contacts and/or informal meetings.

16. The Executive Board adopted decisions 2003/8 on the MYFF and 2003/7 on joint programming.

Special event on UNDP knowledge services

17. At the annual session 2003 of the Executive Board, UNDP organized the special event entitled Knowledge Services: Real Time Solutions for a Developing World. The event demonstrated how UNDP offered state-of-the-art knowledge services that engaged a global network of development practitioners to provide timely and high-quality advice, expertise and know-how to the countries served by the organization.

18. Facilitators from the knowledge networks, staff from the sub-regional resource facilities (SURFs) and thematic specialists from headquarters participated in the special event. Through a set of questions submitted earlier by members of the Executive Board, the facilitators demonstrated the process of comprehensive consultations and networking that was involved in obtaining answers in the shortest possible time. The delegations were very impressed by the results and congratulated UNDP for the excellent service it provided to programme countries. They encouraged UNDP to continue and expand the service in order to support programme countries better.

III. United Nations Capital Development Fund

19. Delegations congratulated UNCDF for an excellent results-oriented annual report (ROAR) for 2002 (DP/2003/13), commending it for its transparency, frankness and effective articulation of past achievements and future challenges. Delegations also expressed appreciation to the delegation of Niger for the country's decentralization process and to UNCDF for its role in supporting it. The representatives of the least developed countries (LDCs) and other programme countries expressed their strong appreciation for the role of UNCDF in helping poor communities to improve their standards of living through decentralization, local governance and micro-finance activities. Delegations from both donor and programme countries regretted that, despite the good performance of UNCDF on the ground, inadequate resources had prevented the Fund from meeting programme country demands for its small-scale investment and capacity-building services. They called for more resources to meet the target of $30 million in regular (core)

resources per annum. They also called on the Executive Secretary of UNCDF to continue efforts to mobilize more resources and broaden the donor base. They welcomed the ongoing independent impact assessment of UNCDF and underlined its significance for the future of the Fund.

20. Delegations called on UNCDF to continue improving the ROAR methodology by establishing, for example, a better link between project-level results and achieved outcomes and developing more precise indicators to measure policy impact. They also invited UNCDF to address the challenges of gender mainstreaming and monitoring and evaluation. In view of resource constraints, the Executive Secretary was invited to provide more information on the strategic choices of UNCDF in positioning itself as purveyor of financial services, facilitator of appropriate enabling environments and coordinator. It was also recommended that UNCDF optimize the use of its limited resources and continue to focus on the most needy. In the area of micro-finance, as a result of the proliferation of activities among United Nations organizations and its cross-cutting links with other issues, such as HIV/AIDS and gender, UNCDF was asked to clarify its partnership with other United Nations organizations in micro-finance. It was also suggested that UNCDF could perhaps serve as the coordinating agency for micro-finance.

21. The Executive Secretary observed that UNCDF was working closely with the United Nations Department of Economic and Social Affairs to draft a programme of action for the International Year of Microcredit in 2005. He acknowledged that as UNCDF is moving towards a sectoral approach in micro-finance, UNCDF could, as suggested by some members of the Executive Board, play a role in coordinating the various micro-finance activities of United Nations organizations.

22. The Executive Secretary reminded the Executive Board that the General Assembly had mandated UNCDF to provide capital investment funds as its first priority; accordingly the organization's focus has been on decentralized public investments through local governance and micro-finance. He pointed out that there was strong demand for UNCDF technical advisory services from programme countries, and appealed for more resources to meet their demands.

23. He advised the Executive Board that UNCDF had begun work on the impact assessment to be presented to the Board in 2004.

24. The Executive Board adopted decision 2003/9, inter alia, urging the international community to follow up on decision 2002/26 and calling on UNCDF to inform the Board of its strategy to achieve the objectives set out in that decision at its second regular session 2003.

IV. Technical cooperation among developing countries

25. Delegations, in discussing document DP/2003/14, stressed their support for technical cooperation among developing countries (TCDC), noting its ongoing relevance and effectiveness as a tool in poverty eradication. They commended the Special Unit for TCDC for its progress in mainstreaming TCDC, while encouraging the Special Unit to continue its efforts to broaden partnerships and mobilize resources to meet increasing demands, and engage in activities that assist countries in special development situations.

26. They also encouraged the Special Unit to continue its efforts in expanding the Web of Information for Development (WIDE) and the journal *South-South Cooperation* as a means of sharing information, knowledge and experiences for development among all stakeholders.

27. Delegations noted with satisfaction the use of triangular cooperation and efforts made to reach other stakeholders. Some delegations particularly welcomed the inclusion of remittances for development in South-South cooperation as an important step in broadening partnerships between developed and developing countries, and with the private sector, non-governmental organizations, regional development banks and civil society organizations. Delegations also encouraged the Special Unit to make further efforts in this area.

28. One delegation believed that the Special Unit had achieved its objectives, and saw a contradiction between its work and the mainstreaming of TCDC. Other delegations believed that the Special Unit, which was created by the General Assembly to promote and coordinate TCDC within the United Nations system and globally, had a key role in mainstreaming the TCDC modality in all development cooperation activities.

29. The Associate Administrator and the Director, Special Unit for TCDC, recalled the various resolutions and decisions of the General Assembly regarding the creation and mandate of the Special Unit for TCDC and South-South cooperation and the active role that the Administrator should play to strengthen it. They advised that the mainstreaming of certain activities had not resulted in the phasing out of the units with key responsibilities for such activities.

30. The meagre disbursement of core resources resulted in large part from the appointment of the new Director and Deputy Director, both of whom needed time to review the status of the programmes. With the consolidation of the programme exercise completed, the disbursement of core resources would be more rapid than before. Other (non-core) resources had been disbursed as planned.

31. The countries that play a pivotal role in TCDC would assist other Southern countries through training and exchange of knowledge and experiences. The Special Unit for TCDC would backstop such interactions. A South-South conference on cost-effective access to the Internet in Africa, scheduled for July 2003 in Cameroon, was being organized by the Special Unit for TCDC in collaboration with the International Telecommunication Union.

32. The report contained gaps in reporting on country activities because the Special Unit for TCDC had not received the requested information from some programme countries.

33. The Executive Board adopted decision 2003/10.

V. Funding commitments

34. The Administrator, in introducing documents DP/2003/15 and DP/2003/CRP.13, expressed his disappointment that regular (core) resources remained below the agreed targets, in spite of UNDP reforms.

35. Delegations welcomed the encouraging modest increase in UNDP core resources for the second consecutive year, noting, however, that the existing levels were sub-optimal. At the heart of that problem remained the extreme vulnerability that continued to affect all United Nations funds, programmes and specialized agencies in an environment of voluntary funding.

36. One delegation expressed strong support for the $1 billion core target that would give UNDP the critical mass it needed, and informed the Executive Board of an initiative, welcome by other delegations, in discussing with partners how to fund UNDP. Some delegations encouraged UNDP to continue its efforts to broaden the base of donor support.

37. Delegations also stressed that core resources constituted the bedrock of UNDP funding and were thus essential for maintaining the multilateral, neutral and universal nature of the organization's work.

38. A number of delegations announced their commitments to core resources, including some that made multi-year pledges for future years, envisaging continued increases in their contribution to core resources.

39. The UNDP representatives thanked delegations for their expressions of continued financial support although levels remained below target. They clarified that core resources were not subsidizing non-core funded activities. They also reported that the increase in core resources was a result of the rise in local currency contributions and gains from movements in exchange rates.

40. The Executive Board adopted decision 2003/11.

VI. Country programmes and related matters

41. The Executive Board reviewed the extension of the global cooperation framework (DP/GCF/2/EXTENSIONS 1); extensions of country cooperation frameworks for Angola, the former Yugoslav Republic of Macedonia, Mauritius, Tajikistan, Uruguay and Zimbabwe; Georgia (DP/2003/16); and the first country programme outlines for Benin, Kenya, Niger, Pakistan, Thailand, Croatia, and the Russian Federation.

42. Delegations commended UNDP for producing good quality country programme outlines (CPOs). Some suggestions, however, were offered to improve the preparation of future CPOs.

43. Several delegations suggested that CPOs should be based even more explicitly on the common country assessment (CCA) and the United Nations Development Assistance Framework (UNDAF) in order to facilitate United Nations harmonization, coordination and coherence at the country level. It was suggested that when an UNDAF was not completed in time for it to guide the subsequent country programming exercise, the existing country programme should be extended, rather than present a new country programme to the Executive Board that is not fully consistent with the UNDAF.

44. Several delegations, furthermore, called for an improvement in the consultation process at various levels in programme design, implementation and monitoring. In-country consultations should include specific meetings with the country's major

international development partners as well as private sector and civil society organizations.

45. Other recommendations highlighted the need for country programmes to indicate major partners for each expected outcome clearly, if possible showing the proposed division of labour among all stakeholders.

46. The respective regional bureaux would submit country specific comments and recommendations to country offices concerned for their discussion with local stakeholders. Finalized country programmes would be uploaded onto each bureau web site by 15 October 2003, with a hyper link from the Executive Board secretariat web site. They would be approved without debate at the first regular session of the Executive Board in January 2004 in the absence of notice from five or more countries.

47. The Executive Board took note of the first country programme outlines and comments made thereon for Benin, Kenya, Niger, Pakistan, Thailand, Croatia, and the Russian Federation, and the first one-year extensions of second country cooperation frameworks for Angola, the former Yugoslav Republic of Macedonia, Mauritius, Tajikistan, Uruguay and Zimbabwe (DP/2003/16).

48. The Executive Board approved the two-year extension of the second country cooperation framework for Georgia (DP/2003/16), and the one-year extension of the second global cooperation framework (DP/GCF/2/EXTENSION 1).

VII. Human Development Report

49. Delegations, in discussing document DP/2003/17, welcomed the opportunity to discuss matters related to the *Human Development Report* at the Executive Board level. They also appreciated the pre-session informal meetings, which helped to clarify a number of issues.

50. Delegations stressed the importance of comprehensive consultations with national authorities and relevant international organizations in the collection of data, statistics and other information for the reports. They also underscored the importance of holding consultations in selecting the topic for the *Human Development Report*.

51. Delegations urged the Human Development Report Office to ensure that the reports maintain high quality, are reliable and impartial. They also stressed that the editorial independence of the reports should not be compromised.

52. The Director, Human Development Report Office, reaffirmed her office's commitment to further strengthen procedures and processes of consultations with all stakeholders. Efforts were also being made to enhance the rigour in data collection and analysis, and to provide more detailed explanations of data quality and limitations in order to facilitate their appropriate use and interpretation. She underscored the importance of consultations with members of the Executive Board.

VIII. United Nations Office for Project Services

53. Delegations, in discussing documents DP/2003/18, DP/2003/19 and DP/2003/20, noted with appreciation that UNOPS had turned the corner in 2002 with an income higher than administrative expenditure. They cautioned, however, that the situation remained fragile and every effort should be made to contain costs and monitor closely the fee structure.

54. The management and staff of UNOPS were commended for their hard work in a difficult environment. They welcomed the appointment of Nigel Fisher as the next Executive Director of UNOPS. They also paid tribute to Mr. Gerald Walzer, the Executive Director, a.i., for his commendable management of UNOPS during the transition period.

55. Some delegations called on the organization to diversify the client base and realign its diversification strategy in an increasingly competitive and evolving market. They appreciated the agreement frameworks that had already been signed with a number of United Nations organizations.

56. The Executive Director, a.i., and the Deputy Executive Director, UNOPS, reported with cautious optimism the satisfactory management of the resources of the organization to date. They observed that steps had been taken to expand business in order to improve the resource situation of UNOPS; noting, however, that their efforts were being constrained by the unfavourable current trends in international business and development assistance.

57. They stressed that the ongoing independent review of UNOPS business model constituted a real opportunity to build a strong and self-sustaining organization.

58. The Executive Board adopted decision 2003/12. Delegations looked forward to receiving the report of the independent review for discussion at the second regular session 2003.

Joint UNDP/UNFPA segment

IX. Improvement of the working methods of the Executive Board

59. Delegations, in discussing the information paper, commended the Bureau for concrete activities that had taken place to improve the working methods of the Executive Board.

60. Suggestions, which the Bureau proposed and implemented at the annual session, helped to improve the drafting of decisions through a more consultative and transparent manner. Delegations appreciated the daily briefs issued by the Bureau, which were introduced for the first time.

61. Proposed areas of improvement included: (a) arranging an alternative seating plan to facilitate better interaction; (b) expediting submission of reports to delegations, allowing them sufficient time for their review; (c) reducing the sessions to two per year and strengthening the meetings of the joint Boards; (d) holding annual sessions in New York to reduce expenditures; (e) ensuring that meetings of

the Board are more focused, while encouraging informal and joint statements; (f) abolishing the second regular session of the Board because it takes place immediately after the summer holidays and coincides with the opening of the General Assembly; (g) providing a list of acronyms in all languages.

62. The Executive Board called on the Bureau of the Board to follow up on those suggestions and report back to the Board accordingly.

X. Internal audit and oversight

United Nations Development Programme and United Nations Office for Project Services

63. Delegations, in discussing documents DP/2003/21 and DP/2003/22, commended UNDP and UNOPS for the extensive information contained in the reports and for their transparency and candour. They underscored the important role that the Enterprise Resource Planning (ERP) system was expected to play in addressing the problems that had been identified in the reports.

64. They appreciated the measures that UNDP had implemented in addressing the issues in the report, in particular the creation of a dedicated investigation section. The participation of the Office of Audit and Performance Review in efforts to harmonize the audit practices of UNDP, UNFPA, the United Nations Children's Fund (UNICEF) and the World Food Programme (WFP) through the United Nations Harmonization Task Force were also commended.

65. Delegations wished to know what were the existing areas of concern (in the previous year procurement had been mentioned). UNDP was also urged to monitor closely the concerns raised in connection with the work of the Bureau for Crisis Prevention and Recovery. Furthermore, delegations wished to know when the functional separation in the internal control system introduced in 2000 would be fully implemented.

66. Delegations observed that the increase in other (non-core) resources was putting the impartiality and universality of UNDP at risk, and placing a heavy administrative burden on the organization with negative impact for regular (core) resources and long-term repercussions at the country level.

67. UNDP was urged to develop a cost recovery policy and rate with regard to non-core resources.

68. The Director, Office of Audit and Performance Review, stated that because of their financial significance the areas that posed risks were procurement and human resource management, especially in field operations. A new area of risk was emerging – and would remain pertinent for the subsequent 18 months – as a result of the allocation of resources for the implementation of the new ERP system. He observed, however, that it was unclear whether locally developed systems would adequately support field operations. The ERP system had also been designed to address the issue of functional separation. He cautioned that it was too early to provide a specific date when the separation of functions would be completed.

69. The Executive Board adopted decision 2003/14, in which it encouraged UNDP and UNOPS to address the issues contained in their respective reports and to report to the Board at its annual session 2004.

United Nations Population Fund

70. The Deputy Executive Director (Management) introduced the UNFPA report on internal audit and oversight activities in 2002 (DP/FPA/2003/3) and highlighted key issues, findings and follow-up actions. She underscored that UNFPA management was fully committed to ensuring accountability at all levels of decision-making and addressing areas that required improvement. She noted that as part of the transition, UNFPA now had an Oversight Committee, chaired by the Executive Director, dedicated to ensuring the effectiveness of the Fund's accountability systems and processes. She stated that as a result of the efforts made to increase project audit coverage, the Fund's financial statements for the 2000-2001 biennium received an unqualified audit opinion.

71. Several delegations expressed appreciation for the candour of the report and were pleased that UNFPA paid serious attention to audit findings and recommendations, and that senior management was following up and addressing the issues highlighted in the report. One delegation, speaking also on behalf of numerous other delegations, commended the transparency and thoroughness of the report. Stressing the importance of solid financial and programme management, the delegations urged the Fund to keep internal procedures under close scrutiny and continuous review. The delegations were pleased to learn that the Fund was taking into account audit-related matters in the performance assessment of UNFPA representatives. The delegations stressed that while the Enterprise Resource Planning (ERP) system promised to be a useful tool, no miracles should be expected from it. With reference to the Fund's coordinating role, delegations emphasized that such a role was central to the Fund's engagement at the country level and should be effectively fulfilled.

72. Delegations stated that audits were a valuable tool for organizational learning and noted that the principles of solid financial management should pervade the Fund's organizational culture. The delegations asked if the comprehensive audit and recommendations database system (CARDS) was functioning satisfactorily. The delegations encouraged UNFPA to continue its efforts to simplify and harmonize with its United Nations Development Group (UNDG) partners to streamline processes that would reduce the burden on programme partners. The delegations welcomed the proposed updates on progress in addressing issues identified through audits.

73. The Deputy Executive Director (Management) thanked the delegations for their constructive comments and noted that UNFPA greatly appreciated the comments from delegations regarding the transparency and thoroughness of the Fund's report. She emphasized that the Fund did not expect the ERP system to perform miracles, nevertheless, UNFPA believed that the system would help improve the Fund's business procedures and processes. The Fund had several major efforts under way to strengthen financial management, including a new competency-based human resource strategy; the realignment of the country offices; the creation of an

operations manager post in 44 country offices; a strengthened Audit Services Branch and its involvement in monitoring project audit processes as well as recommendations, and providing units at headquarters and country offices with feedback; and the creation of an Oversight Committee. She noted that UNFPA had been very much a part of the UNDG simplification and harmonization efforts and was a member of the task force on financial management and accountability. She underscored that collectively those measures would lead to a qualitative leap forward in terms of effective financial and programme management.

74. The Director, Division for Oversight Services, responding to the query on CARDS, noted that initially some connectivity problems had been encountered. However, with the Fund's major investment in improving connectivity in establishing the ERP system, those problems would dissipate. She noted that as of 2003, the Geographical Divisions were monitoring and reviewing the follow-up to audit recommendations pertaining to their respective regions. The Geographical Divisions would periodically provide updates on the status of implementation to the Oversight Committee. Meanwhile, the Audit Services Branch would continue to monitor follow-up action undertaken by concerned units at headquarters. Concerning coordination, she pointed out that UNFPA operated under the guiding principle that coordination was a responsibility of governments to promote their ownership of programmes. Nevertheless, the Fund recognized the many challenges they faced, particularly as a result of multiple reporting requirements, and had endeavoured to facilitate coordination in the reproductive health area. She added that the simplification and harmonization efforts of UNDG coupled with the collaboration of donors would help to reduce the reporting burden on programme countries.

75. The Executive Board adopted decision 2003/14 on internal audit and oversight for UNDP, UNFPA and UNOPS.

XI. Field visits

Field visit to Mozambique

76. The rapporteur introduced documents DP/2003/CRP.10 and DP/FPA/2003/CRP.1. Delegations thanked the Government of Mozambique for hosting the joint field visit. They also thanked the United Nations country team and the Executive Board secretariat for the excellent arrangements they made.

77. They observed that the visit offered delegations an opportunity to understand better the contribution made by the United Nations country team in supporting national strategy through the United Nations Development Assistance Framework (UNDAF). Coordination in Mozambique was considered a model for emulation by other programme countries. They noted that there was room to strengthen United Nations coordination with the large donor community in Mozambique.

78. Regarding the UNDP component of the visit, delegations commended the country office for the reforms it had undertaken in line with the new UNDP. They observed, however, that the exercise had been difficult and involved hard choices, such as staff retrenchment. They also noted that UNDP was involved in many

activities at the policy and operational levels, which constrained effectiveness. They recommended that the organization should be more focused.

79. Delegations commended UNFPA programmes, which supported government priorities with a focus on capacity building and partnerships.

Field visit to Ecuador

80. The rapporteur introduced document DP/2003/CRP.11. Delegations thanked the Government of Ecuador for hosting the visit. They also thanked the United Nations country team and the Executive Board secretariat for the excellent arrangements. They stressed that the visit enabled delegations to interact with people from many walks of life and to understand better how assistance was coordinated among governments, the United Nations and bilateral donors. They also reported that the assistance supported national priorities, including the empowerment of women and reproductive health.

81. They observed that the United Nations country team had, through the resident coordinator system, used the common country assessment (CCA) and the United Nations Development Assistance Framework (UNDAF), which had improved efficiency and effectiveness. However, they called for strengthened coordination among United Nations organizations, the international financial institutions and bilateral donors in programme design, implementation, monitoring and evaluation.

82. The Executive Board adopted decision 2003/15 on joint field visits, calling, inter alia, on the Bureaux of Executive Boards of UNDP/UNFPA, UNICEF and WFP to prepare options for the joint field visit in 2004 for consideration by the Boards of the respective organizations in the September and October sessions in 2003.

UNFPA segment

XII. Report of the Executive Director for 2002

83. In her introductory statement, the Executive Director focused on the five pillars that underpin the organizational priorities of UNFPA: ensuring financial stability of the Fund and meeting resource targets; advancing the agenda of the International Conference on Population and Development (ICPD) and linking it with the Millennium Development Goals (MDGs); implementing the initiatives of the UNFPA transition; networking; and knowledge sharing. She updated the Executive Board on the highly successful 34 Million Friends campaign that, to date, had yielded $1.3 million. She noted that half a million dollars would be used to prevent and treat obstetric fistula in sub-Saharan Africa. She also updated the Board on the practical results emerging out of the implementation of the transition, including the strengthening of country offices. She stated that the Fund's new strategic direction had better equipped it to position population and reproductive health within the framework of the MDGs, and to participate in poverty reduction strategy paper (PRSP) processes. She reiterated the importance of core resources and the role they played in maintaining the multilateral, neutral and universal nature of UNFPA

assistance. She noted that the income picture for core resources in 2003 appeared optimistic. She extended her warm thanks to all delegations that had provided strong moral and financial support to UNFPA at a time of great need. She stated that UNFPA was very grateful to the countries that had helped the Fund to make up a significant portion of the loss of a contribution from one major donor, and that had enabled the Fund to reach an all time high of 136 donors.

84. During the discussion, numerous delegations commended the Executive Director's statement and the Fund's work in advancing the ICPD agenda that was central to achieving the MDGs. Delegations commended the efforts undertaken in the area of reproductive health commodity security (RHCS); HIV/AIDS prevention, including the linkage with reproductive health; humanitarian assistance; advocacy, including mobilizing parliamentarians and religious and community leaders; results-based management; PRSPs and sector-wide approaches (SWAps), particularly the efforts to incorporate population, reproductive health and gender issues in those processes; the initiative on obstetric fistula; the 34 Million Friends campaign; and expanding partnerships at global, regional and national levels. Delegations encouraged the simplification and harmonization work undertaken with United Nations Development Group (UNDG) partners and commended the Fund's efforts to strengthen country offices. Several delegations praised the cooperation their countries enjoyed with UNFPA and appreciated that two thirds of the Fund's resources were devoted to less developed countries (LDCs). Numerous delegations reiterated the statement of the Secretary-General that the MDGs, particularly the eradication of extreme poverty and hunger, could not be achieved if questions of population and reproductive health were not squarely addressed.

85. Several delegations appreciated the generosity of donors and, in the spirit of the Monterrey Consensus, called for increased resources for UNFPA. Delegations noted that three donors accounted for almost half of the Fund's income and urged that burden sharing should be the main principle in funding the organization. Delegations encouraged UNFPA to expand its partnerships with the Bretton Woods institutions, particularly the World Bank. Noting the divergent needs of countries, one delegation emphasized the need to take cultural diversity into account. The same delegation asked for information regarding the Fund's work with the private sector. Some delegations underscored the need for joint programming. Some delegations asked that further attention be focused on the LDCs. One delegation, while noting that SWAps were useful in certain cases, advised caution and underscored the need for greater coordination at the field level under the lead of national governments, and in support of national priorities. A number of delegations noted that regular resources should not subsidize other (non-core) resources. One delegation encouraged the Fund to use its comparative advantage to maximize the impact of reproductive health programmes, particularly for women and girls in conflict and post-conflict situations. The delegation asked that non-governmental organizations (NGOs) from Pacific countries be included in the training of NGOs in capacity-building for conflict prevention. Delegations welcomed the efforts to coordinate with the Office for the Coordination of Humanitarian Affairs (OCHA) and the Department of Peacekeeping Operations (DPKO).

86. Delegations noted that a ceremonial celebration of the tenth anniversary of ICPD should galvanize support for the further implementation of the Programme of Action. Delegations noted the current challenges regarding sexual and reproductive health and rights and urged that UNFPA be given the support and resources

necessary to work with those sensitive issues. One delegation stressed the need to assure that client participation in any programme was informed and voluntary. Delegations emphasized the need to ensure that reproductive health received proper attention in national processes, including the common country assessment (CCA) and the United Nations Development Assistance Framework (UNDAF). A number of delegations suggested that the annual report and the report on the multi-year funding framework (MYFF) should be combined.

87. The Executive Director thanked the Executive Board members for the positive comments, support and guidance. She thanked Canada, the Netherlands and the United Kingdom for the additional support provided for reproductive health commodities. She added that more and more developing countries were introducing budget lines for contraceptives and undertaking cost-sharing. She underscored that UNFPA would continue to accord high priority to RHCS and agreed that it should be clearly linked into the MYFF. She thanked Finland for its additional contributions to adolescent reproductive health and the obstetric fistula initiative; and Canada and the Netherlands for their support to the Fund's work with SWAps. She agreed that HIV prevention and reproductive health must be integrated. It was increasingly evident that women were becoming infected at a much higher rate than before. UNFPA was strengthening its response to HIV/AIDS, including through support to the Fund's country technical services teams and partnerships with UNAIDS, UNICEF, ILO, the World Bank and others. She observed that as part of the bilateral collaboration with the World Bank, much progress had been made in the area of HIV/AIDS. She thanked the European Union for its support in the area of HIV/AIDS, as well as in other areas.

88. She noted the increasing collaboration with DPKO in the area of humanitarian assistance and stated that the Fund played a strong advocacy role in ensuring attention to gender issues in consolidated appeals, response planning and emergency-preparedness initiatives. She added that UNFPA had significantly expanded its work with men in conflict/post-conflict situations, particularly the uniformed services. She concurred that in keeping with the ICPD Programme of Action client participation should be informed and voluntary and stated that the Fund's objectives and monitoring were geared to that. Regarding the query on the private sector, she noted that UNFPA was moving forward in partnering with the private sector and guidelines had been issued to country offices. In a number of countries mutually beneficial relationships were being developed with corporate partners. At the same time, caution was needed to avoid conflict of interest and to ensure that the concerned companies did not have human rights violations. She recognized the importance of cultural diversity and thanked Switzerland for supporting the Fund's work in the area of culture. She noted that a number of country case studies had been undertaken and were being finalized. She agreed that it was important to accord high priority to the LDCs and noted that the vast majority of the newly created operations manager posts would be located in LDCs to strengthen the country offices. She noted that the implementation of the transition was moving on target. She confirmed that preparations were under way to mark the tenth anniversary of ICPD. She thanked the Executive Board members for the guidance on combining the annual report with the MYFF report.

The multi-year funding framework

89. During the discussion on the cumulative report on the MYFF, numerous delegations commended the progress made in achieving the MYFF goals; and the Fund's effectiveness in providing reproductive health services, supporting national capacity-building, and establishing/strengthening data systems and monitoring and evaluation mechanisms at the country level. Delegations welcomed the Fund's efforts in developing the relationship between the next MYFF and the support provided to national policy development and poverty reduction strategies. They endorsed the strategic considerations for the next MYFF cycle contained in the report and emphasized that the MYFF was a good instrument to strengthen the Fund's capacity to contribute to achieving the MDGs and implementing of the ICPD Programme of Action and ICPD+5. Delegations added that the MDGs, ICPD and ICPD+5 should continue to be the guiding framework for the next MYFF. They emphasized the need for increased resources from donors in order to meet those goals.

90. Several delegations stressed the importance of a rights-based approach to programming and called for additional focus on issues related to sexual and reproductive health and rights, with the following priorities: the role of men and boys in achieving gender equality; safe motherhood and reducing maternal mortality, including unsafe abortion; young people's access to confidential reproductive health information and services; HIV prevention; RHCS; and humanitarian assistance. Delegations commended the headway UNFPA was making with regard to HIV prevention and encouraged UNFPA to develop innovative ways to deal with the epidemic. Noting that it had certain doubts about the A, B, C approach to HIV prevention, one delegation stated that it was interested in developing joint programming with other actors in the area of HIV/AIDS. One delegation suggested a new focus on youth as actors and partners. One delegation encouraged UNFPA to take a more proactive role on the issue of migration. Delegations asked about the rapid improvement in the availability and quality of reproductive health services, inquiring if the near doubling of outlets applied only to services directly supported by UNFPA. They were interested in knowing what UNFPA was doing to scale up systems and services. Referring to the Fund's vital role in RHCS, one delegation commended UNFPA for forging strategic partnerships and called for new partnerships to finance commodities.

91. One delegation was pleased to note that the next MYFF would include the identification of and reporting on outcomes – a higher level of the results chain than outputs – and inquired if UNFPA planned to define and/or expand reproductive health indicators in the next MYFF. One delegation expressed concern about the lack of synchronization between the MYFF cycle and the country programme cycles. One delegation urged UNFPA to give explicit attention in the next MYFF to equity in relation to health and development concerns. The delegation encouraged UNFPA to play a catalytic role in achieving ICPD goals using its own resources and leveraging and influencing the use of other resources, for example, those directed through PRSP processes and SWAps. One delegation asked about the Fund's comparative advantage vis-à-vis WHO, UNICEF and UNIFEM. One delegation noted that the affiliated institutions and subsidiary organs of the Organization of the Islamic Conference (OIC) could benefit from the Development Gateway system, adding that OIC was exploring convening an intergovernmental conference.

92. One delegation urged UNFPA to further the relationship between the goals and priorities of the MYFF, the biennial support budget and how the MYFF goals were translated into country programmes and action at the country level. Delegations encouraged UNFPA to simplify the next MYFF, making it more focused and impact-oriented, so that it would be the Fund's main policy document, as well as its strategic resource mobilization and management tool. Several delegations urged UNFPA to link the MYFF report and the annual report and suggested that the Fund report on the MYFF every two years.

93. The Executive Director thanked the delegations for their constructive comments and assured the members of the Executive Board that UNFPA would organize informal consultations to seek the guidance of the Board. She concurred with the suggestion that the Fund report on the MYFF every two years, instead of annually. She welcomed the suggestion regarding joint programming. Regarding the A, B, C approach, she noted that a combination of approaches appeared to be the way to go in the fight against HIV/AIDS. Concerning migration, she noted that the Fund focused on certain specific areas due to limited resources. Nevertheless, some of the new country programmes had selected migration as a key area of focus. She agreed on the importance of scaling up efforts at the national level and noted that the Fund was working in that direction. She appreciated the comments about the Fund's key role in RHCS. She welcomed the comments regarding the OIC. She noted that UNFPA worked closely with its sister agencies. Each had its area of comparative advantage: WHO set standards and norms; UNICEF focused mainly on children; and UNIFEM focused on the political and economic empowerment of women.

94. The Chief, Strategic Planning Office, stated that the guidance offered by the delegations would be useful in formulating the new MYFF. She was encouraged that delegations had stressed the same priorities as those identified by the Fund. She confirmed that a rights-based approach was an integral part of the Fund's strategic direction. She noted that the increase in outlets providing reproductive health services mainly pertained to those supported by UNFPA, however the Fund was also monitoring those indicators at the national level. She observed that the Enterprise Resource Planning system would enable closer linkages between the goals of the MYFF and the biennial support budget. Regarding the synchronization of the MYFF cycle and the country programme cycles, she pointed out that it would be difficult to begin 90 or more country programmes in the same year. She added that simplification and harmonization efforts were under way to harmonize the programme cycles of UNDG partners. She underscored the importance of a rigorous monitoring and evaluation culture and emphasized the need to continue investing in reliable data systems and data collection and analysis. She concurred that it would be more practical to report every two years on the MYFF, instead of annually.

95. The Executive Board adopted decision 2003/16 on the UNFPA annual report and decision 2003/17 on the UNFPA multi-year funding framework.

XIII. Delegation of UNFPA personnel authority

96. The Deputy Executive Director (Management) introduced the report on delegation of formal authority to the Executive Director on UNFPA personnel matters (DP/FPA/2003/5). She provided background information and noted that the

UNFPA request had been endorsed by UNDP. She stated that UNFPA had also consulted with the Executive Office of the Secretary-General, and it had recommended, as advised by the United Nations Office of Legal Affairs, that UNFPA should follow the process of submission to the General Assembly through the Advisory Committee on Administrative and Budgetary Questions (ACABQ), the Executive Board and the Economic and Social Council. She noted that ACABQ in its report (DP/FPA/2003/10) had recommended approval of the recommendation contained in paragraph 11 of the Fund's report (DP/FPA/2003/5).

97. Numerous delegations took the floor to support and endorse the recommendation that the Executive Board recommend to the General Assembly, through the Economic and Social Council, that formal authority in matters of UNFPA personnel be delegated to the Executive Director by the Secretary-General. Delegations welcomed it as a step in the right direction and noted that it would help to improve the management, efficiency and accountability of UNFPA personnel services.

98. The Executive Director thanked the Executive Board members for their endorsement and for the confidence placed in her. She also expressed appreciation for the support provided by the Administrator of UNDP.

99. The Executive Board adopted decision 2003/13 on the delegation of UNFPA personnel authority.

XIV. Funding commitments to UNFPA

100. In introducing the report on funding commitments to UNFPA (DP/FPA/2003/6), the Executive Director underscored the critical importance of regular (core) resources – the bedrock of UNFPA programming. She thanked the delegations for their support, noting that while there had been some increase in regular resources, the overall trend remained on the low side. The Chief, Resource Mobilization Branch (RMB), updated the Executive Board on the current income picture, noting that as of 1 June 2003, the Fund's income forecast for regular resources was approximately $287.5 million and $ 80 million for other resources. He thanked all the donors (135 countries and the Mars Trust) and expressed special appreciation for the substantial increase in contributions from some countries.

101. Several delegations welcomed the positive trend in total resources and were pleased that UNFPA had been able to attract new donors. Delegations underscored the need to increase regular resources and called on Member States to fulfil their commitments in the spirit of the Monterrey Consensus and in accordance with the multi-year funding framework. They stated that regular resources were the foundation of the Fund's programming and were essential to maintain the multilateral, neutral and universal nature of UNFPA assistance. Delegations emphasized that other (non-core) resources should be consistent with the programme priorities of the Fund. Delegations welcomed the grass-roots 34 Million Friends campaign and hoped that it would also prove successful in Europe. It was stated that funds from the campaign should be considered a supplement and the core resources of UNFPA should be provided by the Member States. Several delegations announced their contributions for 2003. A number of delegations encouraged UNFPA to expand its donor base.

102. The Executive Director thanked all the donors for their support and contributions, including the increases made by a number of countries. She stated that UNFPA would continue to work to expand its donor base. She noted that the 34 Million Friends campaign was a new source of funding and UNFPA would annually tap the "Friends" for contributions. She added that given the wide interest in Europe, the campaign would be working with European non-governmental organizations to expand the network. She noted that there was also keen interest in launching the campaign in Japan.

103. The Chief, RMB, expressed his appreciation to all donors and noted that early payments for 2003 and advance announcements of future-year contributions were very helpful to UNFPA. He encouraged donors, in a position to do so, to provide multi-year pledges. Regarding the request for clarification on annex 7 of the report, he noted that an attempt had been made to show the amounts countries were giving, including the highest level of their contribution in prior years, as well as to depict what a theoretical $1 per inhabitant contribution and 0.005 per cent of gross national product would amount to. Also, these were choices for donors to consider for renewing funding to the highest level. He added that UNFPA was continuing efforts to broaden its donor base.

104. The Executive Board adopted decision 2003/19 on funding commitments to UNFPA.

XV. Country programmes and related matters

105. In his introductory remarks, the Deputy Executive Director (Programme) noted that the links between the goals, outcomes and outputs of the proposed programmes and the common country assessment and United Nations Development Assistance Framework findings and objectives needed to be further established. He added that the Fund would strive to enhance the integration of UNFPA-supported programmes into the poverty reduction strategy paper (PRSP) processes where they existed. He noted that the Fund would seek to strengthen its ability to contribute to sector policies and programmes through its country programmes. The Directors of the Africa Division, Asia and the Pacific Division and Latin America and the Caribbean Division introduced the country programme outlines (CPOs) from their regions. The note on Myanmar was also introduced.

106. Regarding the CPOs from the Africa region – Benin, Kenya and Niger – delegations stated that the linkages of the programmes to national processes, including PRSPs and sector-wide approaches, should be strengthened. Furthermore, in view of limited funding, programmes should be strategically focused.

107. In discussing the CPOs from Asia and the Pacific region – Afghanistan, Democratic People's Republic of Korea and Pakistan – delegations commented on the need to increase the linkage of the Pakistan CPO with the PRSP processes; and expressed support for the Afghanistan CPO. Concerning the Democratic People's Republic of Korea CPO, one delegation requested a clear delineation of lessons learned from past programmes, questioned the sufficiency of personnel and sought clarification on the identification of executing agencies. One delegation requested detailed monitoring reports on ongoing projects, a concrete plan for the implementation and monitoring of future projects and reporting to the Executive

Board on a regular basis. Delegations commended the Fund's work in Myanmar, particularly the focus on reproductive health, including HIV prevention.

108. Regarding the Cuba CPO, delegations expressed support for the programme, particularly the focus on reproductive health and rights and gender equity and equality.

109. The Directors of the Geographical Divisions thanked the delegations for their constructive comments and stated that they would be transmitted to the respective countries to take into account in finalizing the programmes.

110. The Executive Board took note of the CPOs for Benin, Kenya, Niger, Afghanistan, Democratic People's Republic of Korea, Pakistan and Cuba, as well as the note on Myanmar, with the comments thereon.

XVI. Technical Advisory Programme

111. The Director, Technical Support Division (TSD), introduced the report on the Technical Advisory Programme monitoring and evaluation system, 2003-2005 (DP/FPA/2003/7). She noted that the specific objectives of the proposed monitoring and evaluation system were: (a) to assess the shift in emphasis of the Technical Advisory Programme (TAP) to more strategic interventions and undertake timely corrective actions; and (b) to assess if the new strategic approach was yielding expected results and contributing to the Fund's goals and outcomes, as stated in the multi-year funding framework (MYFF).

112. Several delegations took the floor and noted that the TAP had played an important role in capacity-building at country and regional levels and had helped to increase technical exchange and efficiency. The proposed monitoring and evaluation system was welcomed and deemed to have much merit. One delegation stated that the results statements of the monitoring and evaluation tool should be clarified and encouraged UNFPA to undertake further work in obtaining baseline data to track results. One delegation, noting that a dent had not been made in its country's population growth rate, asked whether an assessment of that was reflected in the monitoring and evaluation system. One delegation asked how the TAP would strengthen country programmes and monitoring and evaluation at the grass-roots level. One delegation stated that it looked forward to next year's report, particularly with regard to seeing how the TAP contributed to the Millennium Development Goals.

113. One delegation noted that the relevance and effectiveness of the TAP could not be considered in isolation from an assessment of the performance and skill mix of its constituent parts. Furthermore, it would be difficult to know how well the TAP performed without some comparison with alternative approaches for providing technical assistance. The delegation offered the following suggestions: continuous feedback from primary clients should be utilized to make rapid response adjustments to the TAP; and key constituents and stakeholders, i.e., the clients, should have a regular opportunity to assess and help shape the technical assistance they receive. The same delegation asked how the TAP monitoring and evaluation system and the information it generated would be used to guide decisions and the design of future arrangements for the provision of technical assistance.

114. The Executive Director stated that through the TAP system UNFPA was working to enhance national dialogue, including strengthening the capacity of country offices to engage in such dialogue; and to strengthen national institutions in providing technical assistance.

115. The Director, TSD, appreciated the support expressed for the TAP and the proposed monitoring and evaluation system. She stated that UNFPA had taken note of the issues raised by delegations and would address them in refining the system. She noted that some assessment from clients, including country offices and other users, was foreseen and that information would be brought on board. The annual and midterm reviews would provide opportunities for such assessment. She added that the Fund would also look at comparisons with other approaches for providing technical assistance, as had been suggested. She concurred regarding the need for baseline data and noted that UNFPA would further clarify the results statements and indicators. She observed that UNFPA valued the guidance provided by the delegations. Regarding the query from one delegation about the impact of the TAP on its country's population growth rate, she noted that it was too early to assess the impact, and perhaps the issue could be better addressed in the MYFF. She stated that the TAP sought to provide high quality technical advice and assistance to countries for more effective design of country programmes. She was gratified that programme countries felt that the TAP was providing valuable technical assistance.

116. The Executive Board took note of the report (DP/FPA/2003/7).

XVII. Other matters

Global Environment Facility

117. Extensive consultations among delegations on document DP/2003/23 resulted in the drafting and adopting of decision 2003/20 by the Executive Board on the GEF without a debate in the plenary.

118. The Executive Board thus adopted amendments to the Instrument for the Establishment of the Restructured Global Environment Facility, including those related to land degradation – primarily desertification and deforestation – and persistent organic pollutants as two new focal areas of GEF.

119. The Administrator of UNDP was asked to transmit the decision 2003/20 to the Chief Executive Officer/Chairperson of GEF.

120. Furthermore, UNDP was asked to play an active role in land degradation activities, especially in Africa region, bearing in mind that land degradation constrains efforts to reduce poverty.

Poverty reduction strategy papers

121. Delegations, in discussing document DP/2003/24, welcomed the participation at the session of the representatives from the World Bank and the International Monetary Fund (IMF). They expressed appreciation of the good cooperation

between the three organizations and the recent joint memorandum from the United Nations Development Group (UNDG) and the World Bank on the relationship between the Millennium Development Goals (MDGs) and the poverty reduction strategy papers (PRSPs).

122. In view of increasing workload at the country level resulting from the implementation of PRSPs and MDGs, delegations wished to know whether UNDP had adapted its structure to the needs arising from UNDP work to support the PRSP process and had increased the budget to build adequate capacity at the country level. Others wished to know the consequences on UNDP as an organization and coordinator of the United Nations system at the country level resulting from these additional activities.

123. They encouraged UNDP to evaluate the United Nations Development Assistance Frameworks (UNDAFs) in light of the organization's increasing involvement with PRSP where they exist. It was also suggested that new and stronger guidelines on PRSP by the UNDG were necessary, including ways to streamline CCAs and UNDAFs.

124. Some delegations raised concerns about limited participation and ownership of PRSPs. They urged that steps be taken quickly to broaden participation and clarify ownership of the process at the country level.

125. Other delegations wished to know what steps had been taken to build independent capacity at the national level to evaluate PRSPs and to develop indicators to measure performance. They requested that UNDP provide information, for the second regular session 2003, about how the organization intended to follow up on the recommendations and findings contained in the PRSP evaluation report.

126. The representatives of the evaluation offices of UNDP, the World Bank and the IMF advised that they were not in a position to respond to some questions because they fell under the purview of the senior management of their respective institutions. They responded to those issues that related to their mandate.

127. The Director, Evaluation Office, UNDP, reported that the idea of an evaluation on the link between the PRSP process and the UNDAF would be explored in the future in collaboration with the funds and programmes. He noted that in view of the findings UNDP might review the issue of new PRSP guidelines. Regarding national capacity development for independent evaluation of PRSPs, he recommended that countries should utilize IDEAS – the International Development Evaluation Association set up jointly by the World Bank and UNDP. On the relationship between UNDP budget strategy and outcomes, the Director stressed the importance of high quality expertise to ensure the organization's effective engagement in its operations.

128. The representative of the World Bank stated that many of the findings of the UNDP Evaluation Office resonated with those of the World Bank. He advised that more work was needed to integrate the MDGs into the World Bank country assistance strategy (CAS). He also stressed the need to strengthen donor coordination to reduce transaction costs.

129. The representative of the IMF observed that as a result of the UNDP evaluation exercise on the PRSP process, two areas in the work of the IMF needed further attention: (a) the integration of the MDGs in macro-economic frameworks and their

implications; and (b) the role of UNDP and other partners, including those based in Washington, D.C., in the management of donor supported and country-owned and driven programmes.

130. The Associate Administrator stressed that there was a need to strengthen the capacity of the country offices to handle increased responsibilities resulting from MDG and PRSP activities. However, he regretted that there was no budget provision for that purpose. He recommended that country offices should avail themselves of the expertise available in some offices.

World Solidarity Fund

131. Delegations observed that the World Solidarity Fund had the potential to play a crucial role in mobilizing resources with which to address poverty, hunger and other goals set out in the Millennium Declaration. They advised that the Fund should have clear terms of reference and a concrete strategy paying particular attention to other funds administered by UNDP.

132. UNDP was requested to provide further information at the meeting of the Economic and Social Council in July 2003 about the measures required to make the Fund operational.

Joint meeting of the Executive Boards of UNDP/UNFPA, UNICEF and WFP

133. The annual session was preceded by the first ever two-day joint session of the Executive Boards of UNDP/UNFPA, and the United Nations Children's Fund (UNICEF) with the participation of the World Food Programme (WFP). Teams from some countries participated in the specific aspects of the debate: Benin in simplification and harmonization, Malawi in HIV/AIDS and Nepal in MDGs.

Simplification and harmonization

134. The Executive Director of UNICEF provided an overview of the 18-month-long simplification and harmonization process undertaken by the United Nations Development Group (UNDG) Executive Committee in implementing the provisions of the triennial comprehensive policy review (General Assembly resolution 56/201 of 21 December 2001). These included the new Country Programme Action Plan (CPAP), which gave each agency a standard format for planning with partners for the duration of the programme cycle. She stressed that the ultimate test for all the simplification and harmonization efforts would be greater effectiveness and reduced transaction costs.

135. The Chairperson of the UNDG Programme Group explained the objectives, guiding principles and approaches of the simplification and harmonization process; provided a status report on progress to date; and introduced one of the simplification and harmonization tools – the UNDAF results matrix. Five countries – Benin,

Ecuador, Kenya, Niger and Pakistan - were presenting their country programmes to the Executive Boards and testing the new simplification and harmonization tools.

136. The Chairperson of the UNDG Management Group explained the principle behind common resource transfer modalities among Executive Committee agencies, which would reduce the burden on government partners. On joint programming, the objectives were to improve effectiveness and achieve better results and to improve efficiency specifically to reduce transaction costs for Governments as well as donors. The goal was to produce revised guidance by the end of 2003. She explained the three modalities of resource management: parallel funding; pass-through; and pooled funding. She described sector-wide approaches (SWAps), another resource modality, as a form of pooled funding.

137. A representative of the Government of Benin and the United Nations Resident Coordinator for Benin reported on the experience to date in that country.

138. Speakers agreed that the work on simplification and harmonization, which was essential to increasing the efficiency and effectiveness of the United Nations system, had made significant progress and remained on track. Work in this area was central to programme delivery and would help to reduce transaction costs, while placing developing countries firmly "in the driver's seat" with regard to their national goals and priorities. The relation of simplification and harmonization with poverty reduction strategies and the UNDAF was seen as an important aspect. Speakers stressed the importance of linkages with the Organisation for Economic Cooperation and Development/Development Assistance Committee (OECD/DAC) and the international financial institutions.

139. Many speakers expressed appreciation for advances made by the funds and programmes in the area of joint programming, although some indicated that joint programming should be pursued where it is appropriate, and in close consultation with the Government. Referring to a recent decision by the UNICEF Executive Board on joint programming, speakers suggested that other UNDG Executive Committee agencies should follow up on the issue.

140. The issue of resource mobilization was raised by several speakers, with a number of them encouraging the pooling of resources and integrated budgeting. Other issues raised included: the need to strengthen coordination; the need to strengthen national capacity-building; the importance of lessons learned; and the need for enhanced monitoring and evaluation in order to demonstrate that these initiatives can work at the country level.

141. Numerous comments were made about the future role of the joint meetings of Boards. They were seen by a number of delegations as an appropriate forum for policy dialogue, and it was suggested by these delegations that they be institutionalized, that reports and other background material be prepared jointly and in a timely manner by the relevant secretariats, and that they be given the authority to make formal decisions. A number of other delegations dissented from these proposals. Other suggestions for future agenda items included assessments of progress in simplification and harmonization and joint field visits.

Briefing on Iraq

142. The representatives of UNDP, UNFPA, UNICEF and WFP briefed the Executive Boards on their ongoing and planned activities in Iraq. They all reported progress in their respective areas of competence, which included reproductive health, education, immunization of children, food distribution, water supply and sanitation, energy supply, job creation and capacity development, especially since the adoption of Security Council resolution 1483. They also reported that the number of national and international personnel in Iraq had increased and were extending services to more areas despite the lingering security problems.

143. They reported that their activities were being coordinated and harmonized among the respective organizations, on the one hand, and with those of other stakeholders, including NGOs community-based organizations, to ensure coherence, efficiency and effectiveness. UNICEF, for example, was collaborating with the World Health Organization in the assessment of the health sector; UNFPA was partnering with other agencies to provide health facilities for women; and UNDP was working with WFP in support of dredging activities. UNDP was also creating jobs to support sectors where other agencies were involved, such as the health sector. The funds and programmes were all involved in the UNDG working group on recovery and reconstruction coordinating the needs assessment effort.

144. The Executive Boards were also briefed on planned meetings for 23 and 24 June 2003 on the United Nations appeal, as well as a technical informal meeting, to share information on forward planning for the reconstruction of Iraq.

Transition from relief to development

145. The Executive Director of UNICEF gave a progress report on the UNDG Executive Committee on Humanitarian Affairs (ECHA) working group on transition issues, in her capacity as its chairperson. The working group had been established to promote national leadership in the transition from relief to development, and to clarify the role of both the United Nations and donors in supporting this process. Priorities during the transition phase included support for consolidation and stability, restoration of basic services and infrastructure, promotion of human rights and local capacity-building and support for refugees and internally displaced persons. The working group was focusing on eight countries and/or subregions that reflected a variety of circumstances, including countries with Security Council mandates, peace-keeping offices, special representatives of the Secretary-General, or the adaptation of existing tools like the Consolidated Appeals Process (CAP). The working group would present a progress report to the Economic and Social Council in July, and submit its report to the Secretary-General by September.

146. The Deputy Minister of Foreign Affairs and Cooperation of Mozambique said that her country had a long history of coordination with the United Nations system, focusing both on immediate needs and long-term development. As demonstrated during the recent field visit by members of the Executive Boards, government ownership was central to this process, and coordination among all partners was the key to its success.

147. Issues raised by other delegations included: the need for increased coordination between United Nations agencies, including not only the funds and programmes but also the Office of the High Commissioner for Human Rights and the Department of Peacekeeping Operations; the need to consider natural as well as man-made disasters in the exercise; the need for the funds and programmes to focus on strengthening the capacities of people affected by disasters and the need to address gender issues in the transition phase.

148. Asked for update on the "Four Rs" (Repatriation, Reintegration, Rehabilitation and Reconstruction) concept developed by UNHCR, and the Brookings process, concerning the gap between emergency funding and long-term reconstruction needs, the Executive Director said that the working group was trying to integrate the lessons of those initiatives. Recent missions to Sierra Leone and Sri Lanka would be assessed in its upcoming reports.

149. The issue of adequate funding was raised by several speakers. One representative said that his Government has established a separate budget line for transitional activities, 70 per cent of which had been channelled through the United Nations. Other funding challenges were the lack of coordination when transition moved from relief to development, and the lack of instruments for doing so, including the CAP. A final speaker referred to his Government's recent extensive experience in Afghanistan, where a lot of infrastructure had to be rebuilt while people still had to be fed and security was a problem. Because of good coordination between agencies, there had been good results, and these lessons were being applied to the country's assistance to Iraq via international organizations.

Building on Monterrey

150. Delegations said that the Monterrey Consensus, reached at the International Conference on Financing for Development, had stressed that actors should remain engaged in follow-up activities through relevant intergovernmental and other governing bodies of stakeholders, and share experiences in the implementation and mainstreaming of the Consensus in United Nations operational activities at the national level.

151. They also stressed the urgency of galvanizing the follow-up activities, in particular the reduction of poverty, marginalization and destitution. They underscored the importance of a new compact among donor and recipient countries.

152. Delegations strongly supported the creation of instruments to measure the implementation of Millennium Development Goal 8, on developing a global partnership for development. They called on UNDP and the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD) to develop such tools in full consultation with developing countries. They also stressed the significance of mutual accountability by donor and recipient partners.

153. Delegations renewed their determination to support the activities of the funds, programmes and specialized agencies of the United Nations, while underlining the need for increased official development assistance (ODA) in a stable and predictable manner. They also emphasized the importance of coherence, coordination and

simplification of procedures and programmes, and active partnership by all actors to increase efficiency and effectiveness in resource utilization. They also observed that democratic governance and the rule of law were essential elements in establishing an enabling environment for domestic resource mobilization and the building of domestic capacities to empower countries to be responsible for their own development. Some delegations, demonstrating their support of follow-up activities to the Monterrey Conference, announced increased contributions to ODA.

154. Representatives of UNDP, UNFPA, UNICEF and WFP reported on activities in their respective areas – democratic governance, vaccinations, reproductive health, empowerment of women and humanitarian support undertaken in programme countries – in the implementation and mainstreaming of the Monterrey Consensus. They said that although their resources remained below demand, the Monterrey Conference had resulted in announced contributions to ODA, without which the situation would have been worse as a result of deflationary pressures in major donor countries. They stressed the need for better coordination among themselves and with other bilateral donors and international financial institutions, especially the World Bank, for effective and efficient utilization of scarce resources. They also supported the need to develop tools to measure performance and monitor impact at the national level.

HIV/AIDS: Addressing the recommendations of the five-year evaluation of UNAIDS

155. The Executive Director, UNFPA, speaking on behalf of the four agencies – UNDP, UNFPA, UNICEF and WFP – provided an overview of the five-year evaluation of UNAIDS, highlighting the findings, the implications for agencies, the recommendations of the UNAIDS Programme Coordinating Board (PCB) and how agencies had begun to address them. The Chair of the United Nations Theme Group on HIV/AIDS in Malawi, highlighted the challenges faced by the United Nations system at the country level, using Malawi as a case study. The Coordinator of the National AIDS Commission of Portugal, representing the Chair of the PCB, made a presentation focusing on UNAIDS governance-related issues and recommendations pertinent to the Executive Boards of the co-sponsoring agencies.

156. Delegations stressed the importance of recognizing the dynamic nature of the epidemic and the need to break the silence and stigma surrounding HIV/AIDS. They stressed that reproductive health should not be delinked from HIV/AIDS. Speakers noted that in meeting the challenge of HIV/AIDS, it was essential to mobilize additional resources, both financial and human, and to ensure that the response was results-based and gender-sensitive, with particular attention focused on the needs of women and girls. Numerous delegations underscored the need to strengthen cooperation among the agencies, particularly at the country level and within the theme groups. It was stated that the United Nations system should facilitate national efforts through increased coordination and donors that should be prepared to support UNAIDS coordination mechanisms, including fully funding all components of the UNAIDS unified budget and work plan. Delegations encouraged the co-sponsors of UNAIDS to bring further consistency to their HIV/AIDS response.

157. Several delegations recommended that there should be a standing agenda item for the Executive Boards on the PCB recommendations and decisions. A number of

delegations encouraged the agencies to undertake joint programming and also recommended that joint field visits focusing on HIV/AIDS should be organized in cooperation with UNAIDS for members of the Executive Boards. Delegations underscored the importance of system-wide sharing of the lessons learned from UNAIDS regarding improving the working methodology of the PCB and encouraged full cooperation and communication among the Executive Boards and the PCB. Emphasizing the linkage between food insecurity, malnutrition and HIV/AIDS, delegations stressed the need to coordinate food aid with other types of aid in addressing the epidemic. Delegations also pointed out the need to contribute to the ongoing discussion and dialogue on HIV/AIDS and governance issues in their own countries.

158. The agencies, together with the UNAIDS Secretariat which had also participated in the discussions, noted the guidance and recommendations offered by delegations and offered examples of their harmonized and collaborative work in addressing the HIV/AIDS crisis in Southern Africa and elsewhere. They welcomed the emphasis on gender and on the linkage between reproductive health and HIV/AIDS prevention, and concurred that food and nutrition should be a component of the strategy to fight HIV/AIDS. The lack or depletion of human resources resulting from the HIV/AIDS epidemic and the impact on the absorptive capacity of countries was underscored. The agencies agreed that innovative entry points were necessary to tackle the epidemic and that a results-based approach was essential.

Millennium Development Goals in Nepal

159. The debate was based on the implementation of the Millennium Development Goals in Nepal, with presentations by representatives from the Government, the United Nations country team and a non-governmental organization.

160. Delegations stressed that the primary responsibility for mainstreaming the goals into operational activities and reporting lies with the country. They called on the United Nations to provide adequate support in that regard.

161. Delegations commented, asked questions or sought clarifications which included: (a) the consultation process; (b) the integration of the goals into the UNDAF, the 10-year development plan and PRSP; (c) the relationship between the United Nations and the World Bank in development policy and in monitoring the goals; (d) the harmonization and coordination of activities among various donors in such sectors as capacity-building for data collection; (e) alignment of indicators and targets to reflect specific national situations; (f) the role of the United Nations system in conflict resolution; (g) the relationship between the United Nations and non-State actors; and (h) the costing of implementing the goals at national level.

162. The respondents said that comprehensive consultations had been conducted among parliamentarians, civil servants, special interest groups, women, different community entities and regions and the donor community. They spoke about the convergence in the design of strategies for the UNDAF and the goals. Objectives and outcomes in such areas as girls' education, provision of safe drinking water and reduction of child and maternal mortality had been clearly spelled out. The Millennium Development Goals had also been incorporated into the PRSP process and the United Nations team in Nepal had worked closely with the World Bank and

other relevant stakeholders. The overall relationship between the United Nations and the World Bank at the global and national levels was good. A joint note by the heads of UNDP and the World Bank had been sent to all staff on their working relationship whose activities complement each other.

163. The indicators and targets had been realigned through extensive consultations, without losing the universality of the goals. The costing exercise was considered essential in determining how much was required to meet the targets. In the area of coordination and harmonization, donors were working together, for example, to build capacities for data collection and analysis and to enhance coherence, efficiency and effectiveness. Through decentralization, the UNDP governance programme had enhanced local communities' participation in the implementation of goals for education, with support from other United Nations agencies.

164. The panel said that on conflict, the Government and the United Nations system were working together to address the root causes. The United Nations had adopted a strategy and was strengthening its capacity in that area. Members of the Boards were informed that NGOs and other non-State actors were working closely with the government and the country team to publicize the Millennium Development Goals through advocacy messages. A national conference of NGOs had adopted a resolution on promoting awareness of the goals at all levels in the country.

Part three
Second regular session

Held at United Nations Headquarters in New York from 8 to 12 September 2003

I. Organizational matters

1. The second regular session 2003 of the Executive Board of UNDP and UNFPA met from 8 to 12 September in New York. At the session, the Executive Board approved the agenda and work plan for its second regular session 2003 (DP/2003/L.3 and Corr.1), as orally amended, and the report on the annual session 2003 (DP/2003/25).

2. It agreed in decision 2003/29 to the following schedule of future sessions of the Executive Board in 2004:

First regular session 2004:	23 to 30 January 2004
Annual session 2004:	14 to 25 June 2004 (Geneva)
Second regular session 2004:	20 to 24 September 2004

3. Decisions adopted at the second regular session 2003 were included in document DP/2004/2 accessible on the Executive Board secretariat web site at www.undp.org/execbrd.

4. The President of the Board, the Administrator of UNDP and delegations expressed their condolences for the tragic loss of United Nations staff who had fallen in Baghdad, Iraq. They also wished quick and full recovery to those who had been injured in the attack.

5. The Administrator spoke about his recent journey to Jordan for the sad purpose of receiving the remains of the fallen staff members, and to visit the wounded staff who had been evacuated from Iraq. The Administrator referred by name to each of the fallen colleagues from UNOPS and each of the injured UNDP staff members. Delegations subsequently observed a moment of silence in honour of the fallen staff members.

6. On 11 September, the President of the Board, the Administrator of UNDP and delegations expressed their condolences for the untimely and tragic death of Ms. Ann Lindh, Foreign Minister of Sweden. Delegations observed a moment of silence in her honour.

UNDP segment

II. Financial, budgetary and administrative matters

7. Delegations commended UNDP for the high quality of its report on the biennial budget estimates, 2004-2005 (DP/2003/28), the annual review of the financial situation 2002 (DP/2003/27 and Add.1), the report of the ACABQ on the biennial budget estimates, 2004-2005 (DP/2003/29), information on United Nations system technical cooperation expenditures 2002 (DP/2003/30 and Add.1) and additional security measures required for UNDP personnel and premises (DP/2003/CRP.20). They welcomed, in particular, the excellent introductory statement by the Associate Administrator on behalf of the Administrator. They also commended the secretariat

for organizing informal meetings with members of the Executive Board prior to the session.

8. Delegations observed that document DP/2003/28 on the biennial budget estimates 2004-2005 was concise, comprehensive and presented a clear strategy. The budget, they affirmed, was generally well aligned with the strategic goals and priority areas set out in the second multi-year funding framework 2004-2007 (DP/2003/32); the principles underlying the preparation of the budget and the reasons for the budget increase were valid, and the increased cost recovery rates were a step in the right direction to ensure that other (non-core) resources contribute fairly to the cost of UNDP programmes.

9. They supported the budget as proposed in document DP/2003/28, noting that a prerequisite for a strong UNDP presence at the country level was the continued stability of its regular resources base. Accordingly, they supported the proposed investments in human resources and knowledge management at headquarters and at the country level in order to build partnerships, coordinate institutional efforts and lay a foundation for conflict prevention and post-conflict operations. They also supported the proposed base structure concept to be funded from the regular resources budget.

10. Some delegations announced increased contributions to regular resources while others confirmed that they would retain their current levels. Notwithstanding, delegations wished to: (a) know if the upward reclassification of posts was based on substantive changes in the level and scope of responsibilities; (b) obtain additional information on the cost recovery calculation and on the basic structure concept; (c) learn what measures would be taken to ensure that there were no adverse effects on the minimum target for resource assignment from the core (TRAC) programming in the event that the actual resources should fall short of the budgeted amount; (d) obtain further information on cooperation between UNDP and the private sector in information technology and communications; (e) understand how reporting on the budget would fit into reporting activities under the second MYFF, in particular with regards to the MYFF goals.

11. Delegations recommended that every effort should be made to ensure that: (a) regular resources did not subsidize programmes funded from other (non-core) resources; (b) an assessment be conducted on how non-core resources would fit strategically with the regular-resources–funded programmes of UNDP, the strengthening of joint programming, programme management, and joint resource mobilization among United Nations organizations; (c) in the implementation of the cost recovery policy, the relationship between core and non-core contributions be monitored; (d) the capacity of UNDP to measure and report on the full cost of services be strengthened; (e) the issues of cost recovery should be taken up in the context of the simplification and harmonization framework of the United Nations Development Group, with the overall objective of agreeing on a common definition of programme cost and administrative cost.

12. The Assistant Administrator and Director, Bureau of Management, reported that additional information had been provided on the calculation of cost recovery. He advised that the methodology applied in the exercise was consistent with the recommendations of the Joint Inspection Unit and closely resembled that used by the United Nations Children's Fund (UNICEF). He reported that the report on programme and budget support was provided for information only.

13. On post reclassification, the Director observed that the exercise had not been undertaken in more than a decade in spite of increased responsibilities for resident coordinators and country directors. He advised that there were cases where a downward reclassification of posts had taken place.

14. The Director advised that the base structure concept was relatively new, noting that adjustments would be made as lessons were learned. The Executive Board would be kept abreast of developments.

15. On the relationship between UNDP and the private sector in information technology, the Director acknowledged that UNDP had benefited from the latter through preferential treatment in equipment procurement, but there were no financial flows as such. The re-profiling exercise at the country level resulted in savings that had been invested in information and communications technology and learning for UNDP staff.

16. He concluded by assuring delegations that UNDP would make every effort to align the strategic goals of the MYFF with budget planning.

17. The Executive Board adopted decision 2003/22 on the biennial support budget 2004-2005.

18. The Executive Board adopted decision 2003/23 on the biennial support budget 2004-2005 for the United Nations Capital Development Fund and the United Nations Development Fund for Women.

III. Thematic trust funds

19. Delegations thanked UNDP for the report on the thematic trust funds (DP/2003/31), and commended UNDP representatives for their comprehensive and informative reporting and presentations.

20. Delegations stressed that the thematic trust fund (TTF) concept was an important innovation that had been strategically and cohesively used to underpin the core goals of UNDP. They indicated that the financial and programming results currently in use were promising. Given the importance of the thematic trust funds, delegations suggested that they be closely monitored and included as a regular item on the agenda of Executive Board sessions.

21. They suggested that reported country results on thematic trust funds should be presented as part of the MYFF reporting system in order to ensure the consolidation of results achieved by service line, simplified reporting, and alignment with the MYFF goals. They recommended that the annual TTF report should be more analytical, drawing on lessons learned and demonstrating how each thematic trust fund met its thematic objectives.

22. Delegations stressed that thematic trust funds should complement and not compete with, or undermine, core resources, which remain the bedrock of the organization. They also anticipated that more donors would contribute to the thematic trust funds, and expressed regret that only two of the eight approved thematic trust funds received adequate contributions.

23. They suggested that the number of thematic trust funds should be aligned with the number of goals in the MYFF, 2004-2007, while those not having attracted sufficient funding should be cancelled.

24. They strongly expressed their concern regarding donor earmarking of funds with attached conditionalities, which impede the ability of UNDP to be flexible and strategic in allocating funds. They regretted that the bulk of the resources in the thematic trust funds – about three-quarters – were earmarked for specific countries or projects, but understood the special nature of such earmarkings, especially with regard to the thematic trust funds on crisis prevention and recovery.

25. While noting that the allocation process had improved and was more transparent, delegations underscored that to improve their effectiveness efforts should be made to harmonize and streamline the thematic trust funds further.

26. They also suggested that efforts should be made to avoid competition for funds with other United Nations organizations, such as the United Nations Development Fund for Women (UNIFEM) and the Joint United Nations Programme on HIV/AIDS (UNAIDS), which address similar themes.

27. In general, delegations strongly supported the thematic trust funds and would continue to make contributions within the limits of their capacity.

28. In response, the Assistant Administrator and Director, Bureau for Development Policy (BDP), indicated that UNDP would continue to work towards improving the performance and management of the thematic trust funds. He also concurred with delegations on the recommendation that future TTF reporting be simplified and integrated with the MYFF reporting.

29. He clarified that transaction costs were high relative to the size of the thematic trust fund – the smaller the TTF the higher the cost of managing it. He also clarified that internal transaction costs to UNDP were associated with the selection and allocation process, which was designed to ensure that resources entrusted to UNDP were utilized for the most strategic and catalytic initiatives. Further experience would make it possible to streamline the process, which in turn would lead to a reduction in transaction costs and improve the efficiency and effectiveness of the TTF facility. He stated that from 2004 onwards the number of thematic trust funds would be aligned with the number of goals in the MYFF, 2004-2007.

30. The Assistant Administrator and Director, Bureau for Crisis Prevention and Recovery (BCPR), reported that the transactions costs for the Thematic Trust Fund for Crisis Prevention and Recovery were not high because TTF resources were not allocated through a selection and allocation process, and were co-programmed with existing country office initiatives. The arrangements in place allowed programming to take place as the process moved forward. She also reported that as a result of the special initiatives in Afghanistan the bulk of resources had been allocated to that country. Lessons from Afghanistan were being applied to other countries, such as Guinea Bissau, where BCPR worked in collaboration with the Economic and Social Council mission and assisted the country in designing resource mobilization options. UNDP also designed a mechanism to assist in paying the salaries of civil servants in Guinea Bissau, but donors did not fund it. A similar model was being used to create a similar facility in Liberia, for which donor support was expected.

31. The Assistant Administrator reported that her bureau also had its own core resources, which when needed could quickly be allocated for immediate relief in natural disasters, for example. Follow-up assistance could then tap into further target for resource assignment from the core (TRAC) 3 resources and the thematic trust funds to initiate programmes and mobilize additional resources later on.

32. On reporting, she stated that the Bureau was producing one annual comprehensive report, which responded to both the financial and analytical reporting requirements of donors.

33. The Director, Division for Resource Mobilization, noted that the thematic trust funds were considered part of a three-layered arrangement: core resources; country-level partnerships and the thematic trust funds. She indicated that UNDP had consistently worked to ensure that core resources were protected. She explained that the manner in which the thematic trust funds fit with other types of funding raised the fundamental issue of how UNDP integrated its efforts at the country level with other actors. In terms of donor participation, the number of donors joining UNDP through the thematic trust funds had increased, albeit slowly. Donors were requested to avoid earmarkings when providing resources so that UNDP could have the flexibility to allocate them according to corporate priorities in support of programme countries.

34. Reporting on TTF activities was done through the results-based management system. The MYFF, 2004-2007, made a good logical case for reporting to the Executive Board in the future.

35. The Director concluded by observing that, in the majority of cases, country offices worked with governments to formulate overall programmes without distinction between the sources of funding. The MYFF sought to bring all activities together in one set of programmes funded from different sources. Consequently, TTF resources were not allocated in isolation from other sources of funding.

IV. Multi-year funding framework

36. Delegations debated the second multi-year funding framework (MYFF), 2004-2007, as contained in document DP/2003/32. They congratulated UNDP for an excellent report and for the outstanding and informative statements delivered by the Administrator and Associate Administrator.

37. They commended the secretariat for organizing informal meetings and consultations at various levels that facilitated fruitful discussions prior to the session. They underscored that the framework was more simplified, focused and user-friendly than its predecessor. They welcomed the balance in the reduced goals and service lines.

38. Delegations underscored that: (a) poverty reduction and the MDGs should remain the overarching goals of UNDP; (b) the implementation of the MYFF should take into consideration programme country development priorities and strategies; (c) UNDP should accord special attention to ensuring that the poverty reduction strategy papers (PRSPs) were appropriately attuned to the Millennium Development Goals (MDGs); (d) capacity development had a special part to play in UNDP support to the MDGs by, inter alia, enhancing national ownership, which in turn

could improve the effectiveness of development results; (e) upstream work should be accompanied by downstream efforts so that policy advice could be regularly informed by practice and vice versa; (f) the MYFF should respond to the demands of intergovernmental bodies as reflected in the MDGs, the Conference on Financing for Development and the World Summit on Sustainable Development, as well as regional efforts such as the New Partnership for Africa's Development (NEPAD) by the African Union; (g) the terminology used in the MYFF should be consistent with that contained in intergovernmental documents; (h) the increase in regular resources in the last several years reflected the improved image of UNDP and the efficiency and effectiveness of its performance, thanks to its reform programme; and (i) the need for predictable, sustainable and adequate regular resources so that UNDP could provide assistance commensurate with programme country demands and improve the organization's capacity to deliver its services more effectively and efficiently.

39. Delegations sought clarification on how UNDP planned to report on performance and what indicators would be used to measure programme impact and lessons learned. They welcomed the opportunity to discuss these issues at the first regular session of the Executive Board in January 2004. They also sought further clarification on the relationship between the MYFF, the triennial comprehensive policy review on operational activities for development (E/1998/48), the United Nations Development Assistance Framework, the PRSPs and the Brussels Programme of Action for the Least Developed Countries as well as the links between the MYFF goals and resource mobilization and management strategies.

40. Some delegations observed that goals and service lines could be focused further. Other delegations noted that considerations of focus should be reconciled with the flexibility needed to respond to emerging programme country demand. Other delegations considered the current balance of goals and service lines to reflect appropriate focus and demand. Gender mainstreaming should continue to receive priority attention in collaboration with the United Nations Development Fund for Women (UNIFEM). South-South and triangular cooperation should continue to be encouraged and adequately funded. The coordination mechanism at the country level should recognize the important role of government. Programming and funding need to be properly aligned. The resident coordinator system needed strengthening to better handle increased responsibilities, such as support to PRSPs and joint programming. The relationship between state and non-state actors should be further encouraged and strengthened through public-private partnerships.

41. The Associate Administrator acknowledged delegations' positive comments on the quality, focus and balance between the reduced goals and service lines in the second MYFF, 2004-2007. He concurred that the framework was a living document and would be adjusted and fine-tuned to address the demands of programme countries and regional entities, and to account for other developments in areas such as energy and environment. UNDP would continue to place top priority on poverty reduction and the MDGs. Active consultations with all stakeholders would be undertaken to ensure that programmes were designed and owned by national authorities. He reported that innovative methodologies on indicators for measuring and reporting results and impact were under active consideration within UNDP. A report would be presented to the Executive Board at its first regular session 2004.

42. The Associate Administrator thanked delegations that had announced increased contributions to regular resources and appealed to others to do the same so as to

ensure an adequate resource base that would enable UNDP to meet the demands of programme countries.

43. He reminded delegations that UNDP had for a long time been involved in anti-poverty programmes, and its experience had been utilized in poverty assessments and in drafting of anti-poverty programmes. This experience had been available to countries involved in preparing PRSPs. UNDP had also gained credibility in building partnerships and broad-based participatory processes that had become crucial in the PRSP process. The role of UNDP as coordinator of the MDGs at the country level would be instrumental in forging links between the MDGs and PRSPs.

44. The Associate Administrator reiterated that the purpose of going upstream was to establish a link between policy and projects that did not exist before. He stressed that projects alone, in the absence of a policy framework, would not solve poverty challenges. Therefore, the adoption of an upstream approach was not to abandon downstream activities but to link the two in a mutually reinforcing manner.

45. He advised members of the Executive Board that the issue of addressing appropriately the resident coordinator system was still under discussion; the Board would be kept informed of developments. He also stressed that the resident coordinator system would remain the cornerstone of the UNDP reform agenda.

46. The Associate Administrator observed that although gender was not a separate MYFF goal, gender mainstreaming would continue to be a top priority in all aspects of UNDP work at headquarters and at the country level. UNDP, through its Gender Unit, would continue to work closely with UNIFEM to ensure that gender issues received the attention that they deserved.

47. The Executive Board adopted decision 2003/24 on the UNDP multi-year funding framework, 2004-2007.

V. Evaluation

48. Delegations highly commended UNDP for producing timely, well-structured and well-written reports, including the annual report of the Administrator on evaluation (DP/2003/33), the executive summary of the report on the assessment of the MDG reports (DP/2003/34), the note by the Administrator on the assessment of the MDG reports (DP/2003/41) and the management response to the evaluation of the role of UNDP in the PRSP process (DP/2003/35). They welcomed the progress made in the development of systematic and analytical methodologies. They endorsed the methodological approach of dividing monitoring and evaluation into programme, country and organizational categories, and welcomed the introduction of country level strategic evaluations such as the assessment of development results.

49. Delegates also supported the heightened attention given to aligning the PRSPs and the MDGs, in particular with regard to enhancing monitoring and reporting systems at the country level and the evolving partnership between United Nations organizations and governments as well as donors and programme countries. The partnership with the private sector was also commended.

50. The links between policy and operational activities at the country level and the efforts to enhance cooperation on knowledge and learning within the United Nations and between it and bilateral donors were appreciated.

51. Delegations stressed the importance of using evaluation results in the decision-making process. They also underscored the importance of broad-based participation in the MDG process, involving civil society organizations and marginalized communities. They noted, however, that the Evaluation Office might be spreading itself too thinly, which could result in impaired effectiveness and efficiency. They also advised that care be taken to obtain accurate and current statistics in collaboration with national authorities. Capacity building at the national level in collaboration with other relevant stakeholders such as the World Bank might be helpful in that regard. Delegations also called on UNDP to undertake more institutional-type evaluations. They sought more information on what had been done to narrow the evaluation capacity gap at the national level; how the initiative to evaluate UNDAF outcomes was being carried out; the lack of emphasis given to evaluation of work in conflict prevention and recovery, gender and activities undertaken by United Nations organizations such as UNIFEM, the United Nations Capital Development Fund and the United Nations Volunteers; and what was being done at the headquarters level to enhance the capacity to feed evaluation results into decision-making processes and the formulation of new programmes.

52. Delegations wished to receive further information on the distinct aims of the PRSPs, MDG reports and the *Human Development Report*. They also wished to know if a one-page summary could be made available to Executive Board members on the aims of these reports.

53. Delegations felt the report on PRSP was thought provoking. They noted the development of partnerships with United Nations organizations, governments and donors. They recommended that the World Bank should monitor the preparation of the PRSPs and further strengthen links between the MDGs and PRSPs.

54. In response, the Acting Director, Evaluation Office, reported that the office disseminated lessons learned throughout UNDP, including the Executive Team, where key evaluation findings and expectations from UNDP were discussed. Information from evaluation exercises was being synthesized and published in *Essentials*, a UNDP publication devoted to lessons learned based on evaluative evidence. In addition, strategic issues on evaluation were regularly discussed through EvalNet and other UNDP networks. For the most part, Evaluation Knowledge products were produced in a question and answer format so as to ensure easy access for operational purposes.

55. He added that the Evaluation Office had developed a tracking system to obtain information from country offices about follow-up actions on evaluation recommendations, especially outcome evaluation. General information exchange was fostered through the Evaluation Office web site, which houses evaluation reports, terms of reference and evaluation plans, among other relevant documents.

56. Periodic presentations were also made to UNDP bureaux and at subregional resource facilities. He also reported that in order to improve evaluation capacities the Evaluation Office had conducted monitoring and evaluation workshops in Bolivia, Cuba, Fiji, Tunisia and the Asia and Pacific region. Teleconferences and videoconferences had also been conducted. The Evaluation Office had developed an

integrated results-based management (RBM) training module, which the UNDP Learning Resources Centre used. By the end of 2003, the office would assess the quality of evaluation outcomes and make recommendations on how to improve monitoring and evaluation methodologies. While the responsibility for the application of RBM methodology had been transferred to the Operations Support Group, the Evaluation Office continued to provide technical support.

57. He stressed that capacity-building remained a key element in the activities of the Evaluation Office. However, programme country demands for training in methodology had exceeded the capacity of the office. Accordingly, the Evaluation Office required a more strategic approach in providing its services, including the organization of monitoring and evaluation training events at the regional level and in conjunction with other corporate or country events.

58. The Acting Director reported that an evaluation had been conducted on crisis and post-conflict situations in 2002. He concurred with delegations that using accurate and current data was essential. The work plan for 2003-2004 included a series of lessons-learning studies and products on post-conflict situations. He observed that in 2003 the Evaluation Office in collaboration with the United Nations Development Fund for Women (UNIFEM) and the Bureau for Development Policy (BDP) produced a special edition of *Essentials* on gender in conflict situations. There was greater focus within UNDP on gender mainstreaming in all aspects of its programmes.

59. He concluded by observing that an internal assessment on upstream positioning and knowledge management in UNDP had been included in the work plan for 2003-2004. The two assessments would be conducted from a learning perspective.

60. The Executive Board adopted decision 2003/25 on UNDP evaluation.

VI. Country programmes and related matters

61. Delegations reviewed draft country programme documents for the Central African Republic (DP/DCP/CAF/1), Republic of the Congo (DP/DCP/PRC/1), Sierra Leone (DP/DCP/SIL/1), Lithuania (DP/DCP/LIT/1) and Poland (DP/DCP/POL/1). The comments were country specific and the respective bureaux would transmit them immediately to the countries concerned. If the governments concerned agree, revised country programmes would be posted on the web sites of the regional bureaux with a hyperlink to the Executive Board secretariat web site by 15 October 2003.

62. Delegations took note of the note by the Administrator on UNDP assistance to Afghanistan (DP/2003/36) on a case-by-case basis for the period from January 2004 to December 2005. During discussions on UNDP assistance to Afghanistan, the Minister for Rural Rehabilitation and Development addressed the Executive Board, which was followed by an informal briefing by the Minister that attracted a large gathering.

63. They approved the two-year extension of the second country cooperation framework for Peru (DP/2003/37/Rev.1). They took note of the one-year extensions of the second country cooperation frameworks for Bosnia and Herzegovina and Chile (DP/2003/37/Rev.1).

64. The Board took note of the oral report by the resident representative on UNDP assistance to Myanmar.

VII. UNOPS: financial, budgetary and administrative matters

65. The President of the Executive Board, the Administrator of UNDP and delegations congratulated Mr. Nigel Fisher on his appointment as the new Executive Director of the United Nations Office for Project Services (UNOPS). They also commended him for his comprehensive report on the revised budget estimates for the biennium 2002-2003, budget estimates for the biennium 2004-2005, and the report on the level of the operational reserve (DP/2003/38), the report of the ACABQ on the revised budget estimates for the biennium 2002-2003, budget estimates for the biennium 2004-2005 and report on the level of the operational reserve (DP/2003/39), the final report on the independent review (DP/2003/40), and the change management process.

66. They noted with cautious optimism that UNOPS might be able to generate and transfer a surplus to the operational reserve at the end of 2003.

67. Notwithstanding, delegations expressed concern at the alarming delivery projections for 2004. They strongly supported the commitment of the Executive Director to place immediate and high priority on new acquisitions to reverse the situation.

68. With reference to the report of the independent review (DP/2003/40), delegations underlined the importance of UNOPS as an independent, efficient and effective service provider to the United Nations system, and commended the Executive Director on his rapid development of a framework to implement structural, administrative and systems changes promptly and to create a viable basis for consolidation and growth as a self-financing entity. A wide range of organizational reforms was required to reduce costs and improve efficiency. They also called on the United Nations system to utilize services of UNOPS.

69. Delegations also concurred that UNOPS needed to focus on matching the evolving requirements of its clients as well as to broaden its client base within the United Nations system. This would entail, inter alia, a review of its fee-setting criteria, service delivery modalities and structure, so as to best reflect a client-centred approach. Delegations also stressed the need for a comprehensive review of the organization's overall mission and mandate. This question should be subject to inter-session consultations and to consideration by the Board at its first regular session and annual session 2004.

70. Delegations supported the idea of widening UNOPS business opportunities within the United Nations system and with the World Bank. The examination of service opportunities with regional development banks and other regional organizations was also raised. Varied views were expressed on the question of direct UNOPS service provision to governments in the areas of its competence.

71. Delegations proposed that the mission and mandate issue be further discussed and brought to the attention of the Executive Board in early 2004.

72. Delegations also wished to hear from the heads of UNDP and UNOPS on how they intended to revamp their relationship.

73. They expressed the desire to be updated on developments through informal consultations between now and the first regular session of the Executive Board in January 2004. During that session, a formal review would be undertaken of the financial situation of UNOPS, of progress achieved and further plans for the implementation of change measures, together with the presentation of proposals for financing of the change process.

74. In his response, the Executive Director, UNOPS, affirmed his concern about the prospects for business acquisition in 2004. He noted that guaranteed contracts currently stood at half of what was needed for the organization to stay afloat. He informed the Executive Board that he had initiated efforts to maintain the business at hand and to explore new opportunities with existing and new clients. He believed that UNOPS as a self-financing model was viable but required: (a) rapidly increased business acquisition; (b) greater focus on and understanding of clients' needs; (c) a transparent and competitive fee-setting structure; and (d) internal cost-cutting measures.

75. He observed that high on the UNOPS agenda was the necessity for a sensitive response to clients' needs and concerns with respect to costs, quality and competitive and transparent pricing procedures, as recommended in the report of the independent review (DP/2003/40). He also stressed the need for UNOPS to adapt better to the evolving environment and the mandates of its clients.

76. The Executive Director reported that UNOPS and the World Bank were already cooperating and were in the process of formalizing their working relationship. Cooperation possibilities were also being explored with the African Development Bank and the Asian Development Bank as well as with the Inter-American Bank. UNOPS, in association with UNDP, was already providing services to activities funded by the African Development Bank. He further reported that UNOPS was exploring with UNDP how they could capitalize on the resources and loans of regional development banks.

77. He underscored that in order for UNOPS to serve United Nations organizations, as called for by the Secretary-General in document DP/2003/40 and encouraged by members of the Board, the organization had to strive to be efficient, competitive and transparent in its pricing arrangements.

78. The Executive Director noted the urgency expressed by delegations to address the issue of the mandate and status of UNOPS. He stated that he would soon begin discussions regarding the mandate of UNOPS with clients, in order to reach a consensus in an open and transparent manner.

79. He reported that a road map for change was already available – what was required was the early implementation of those elements with which UNOPS could start, while simultaneously embarking on a dialogue concerning more complex issues. The report to the Executive Board at its first regular session in January 2004 would contain what had been achieved, work in progress, the proposed work plan for 2004 and the budget required. By the annual session in June 2004, the Board would be able to discuss issues related to the mandate and mission of UNOPS.

80. The Chairman of the Management Coordination Committee (MCC) reported that there was already a good working relationship between it and the Executive Director. The report on the independent review pertaining to the business model and related issues of UNOPS – comments of the Executive Director (DP/2003/CRP.19) reflected the common views of the MCC and the Executive Director. The Chairman supported the idea that UNOPS should expand its pool of clients but not in an open-ended way that would bring in governments as direct clients. Such a development might undermine the broad structure of relationships between UNOPS and other United Nations organizations. He stressed that there was a need to think carefully about how the pool of clients for UNOPS could be expanded without creating unintended and damaging results. The matter would be taken up in the MCC; the Board would be advised of the outcome.

81. The Chairman noted that repair work was needed on both sides to improve the relationship between UNDP and UNOPS. Towards that goal, the Administrator of UNDP had invited the Executive Director of UNOPS to attend, speak and lead one session at the global meeting of resident representatives in October 2003. He also reported that he had discussed with senior colleagues in UNDP a business model of partnership between UNDP and UNOPS that was acceptable to a cost-conscious donor community. That would entail, inter alia, an arrangement ensuring that the share of overhead between the two organizations would reflect the share of labour, which both organizations contribute to project management. The two organizations were committed to working out a mutually acceptable arrangement.

82. He reported that the Secretary-General expected the rest of the United Nations system to make good use of UNOPS services, but this would require overcoming some elements of resistance.

83. The Executive Board adopted decision 2003/26 on the UNOPS revised budget estimates for the biennium 2002-2003, budget estimates for the biennium 2004-2005, and report on the level of the operational reserve.

84. The Executive Board adopted decision 2003/27 on the independent review of UNOPS.

UNFPA segment

VIII. Financial, budgetary and administrative matters

85. The Executive Director introduced the estimates for the biennial support budget for 2004-2005 (DP/FPA/2003/12), addressing policy issues, highlighting key financial elements of the budget and responding to the concerns raised by the Advisory Committee on Administrative and Budgetary Questions (ACABQ) in its report (DP/FPA/2003/12). She also introduced the Annual Financial Review 2002 (DP/FPA/2003/13). She underscored that the budget proposal embodied the Fund's transition process and was designed to pave the way for implementing its outcomes, including strengthening the capacity of UNFPA to assist countries in implementing the Programme of Action of the International Conference on Population and Development (ICPD) and achieving the Millennium Development Goals (MDGs). She emphasized that the proposed budget provided greater support to country

offices, growth where affordable and cost containment where necessary. She stressed that UNFPA was working to align the multi-year funding framework (MYFF) with the budget and hoped that the next budget would be presented with the MYFF at the same Executive Board session. Noting that the Fund's financial situation in 2003 was healthy, she stated that the Fund's income had increased to the point that the funding gap caused by the loss of a major contribution had been entirely offset.

86. The Director, Division for Management Services, made a slide presentation on the budget proposals for 2004-2005. He also drew attention to the background note that had been distributed providing additional information on post reclassifications and linkages between the MYFF 2004-2007 and the estimates for the biennial support budget for 2004-2005.

87. During the discussion, numerous delegations expressed strong support for the proposed UNFPA budget and welcomed the Fund's focus on strengthening country offices, including through implementation of the new country office typology; human resources development; and knowledge sharing. Delegations thanked UNFPA for the excellent documentation and supplementary materials as well as for the informal briefings held prior to the session. They noted that the budget was integral to achieving the Fund's transition outcomes. Delegations underscored that the Fund had a central role to play in assisting countries in achieving the goals of the ICPD Programme of Action, ICPD+5 and the MDGs. They welcomed the increased expenditure for programme activities. Delegations also welcomed the Fund's increased participation in the United Nations Development Group (UNDG) as well as in country processes such as the poverty reduction strategy paper (PRSP) and sector-wide approaches (SWAps). A number of delegations noted that UNFPA contributed significantly to improve gender equality.

88. Several delegations noted the need to synchronize the budget and MYFF cycles and welcomed the news that in the future UNFPA planned to present the budget and the MYFF at the same session. Delegations took note of the comments of the ACABQ, including on post reclassifications and results-based budgeting. Numerous delegations stated that they appreciated the additional information provided by UNFPA concerning post reclassifications and the linkages between the MYFF and the budget. One delegation asked if UNFPA had considered how it might monitor or assess the results/impact of its strategic investment in implementing the new country office typology. The delegation was also interested in knowing whether the reclassifications of posts and the creation of additional posts would improve staff capacity at the country office level, resulting in increased ability to meet programming commitments.

89. A number of delegations welcomed the monitoring and evaluation framework and inquired about benchmarks to measure the effectiveness of programme implementation. One delegation encouraged the Fund to share its best practices with Member States. One delegation requested UNFPA to adopt the terms "reproductive health care" and "primary health services, including reproductive health" in lieu of "reproductive health services". The same delegation advocated a comprehensive approach to HIV/AIDS prevention, including use of the "ABC model".

90. Noting that UNFPA needed more core resources, several delegations called on donors to increase their core contributions and to undertake greater burden sharing.

The delegations of Canada and Sweden announced that they would increase their core contributions to UNFPA in 2004.

91. The delegation of Norway strongly supported the Fund's efforts to link poverty alleviation to reproductive health, population and gender within the context of the MDGs and commended the Fund's leadership in promoting the ICPD Programme of Action and specifically the work being carried out by UNFPA in the field of reproductive health. The delegation took the opportunity to strongly oppose the false allegations made by one outside organization (in the aftermath of the annual session 2003) that Norway had questioned the Fund's reliability in financial matters. The delegation emphasized that that was definitely not the case and it underscored that Norway was convinced that its contributions were spent wisely and efficiently by UNFPA. The delegation added that the Fund's income picture was better than previously expected and the number of donor countries had grown significantly. The delegation stated that that was a true reflection of the trust that donor countries placed in the Fund and of the strong political support that UNFPA enjoyed.

92. The delegation of the United States of America stated that it continued to maintain an active dialogue with UNFPA and China regarding the issues that had prevented its Government from funding UNFPA. Noting that its country was not legally able to fund UNFPA at the present time, the delegation stated that it had consistently encouraged China to adopt new policies that would eliminate coercive measures from its family planning programmes. The delegation encouraged UNFPA to continue its efforts towards that end and underscored that its country remained committed to funding UNFPA and would continue its dialogue with China and UNFPA.

93. The delegation of China stated that since the 1980s its country had enjoyed a very good relationship and cooperation with UNFPA. The Fund's programmes had played an important role in promoting the development of Chinese society and the economy. The delegation regretted that the United States of America was attempting to use Chinese domestic policy to withhold its contribution to UNFPA. The delegation noted that in the early part of August a United States Assistant Secretary of State had visited China and had recognized that the cooperative programmes carried out with UNFPA assistance were very important in terms of reproductive health, family planning and health services. The delegation hoped that the above-mentioned visit would help the Government of the United States of America to gain further understanding of the issue of population in China and would strengthen its support for the cooperation between China and UNFPA. The delegation appealed to the Government of the United States of America to resume its contribution to UNFPA at an early date.

94. The Executive Director thanked the delegations for their support and expressed appreciation to Canada and Sweden for the announcements regarding increased core contributions in 2004. She hoped that the tenth anniversary of ICPD in 2004 would provide a real impetus for implementing the ICPD Programme of Action. She assured the Executive Board that UNFPA was making every effort to align all its activities with the MYFF. She underscored that UNFPA was promoting results-based mangement and the MYFF would systematically be used for monitoring and evaluation. With regard to post reclassifications, she pointed out that they were in accordance with established International Civil Service Commission (ICSC) standards.

95. Regarding the comment on reproductive health terminology, she underscored that the Fund's mandate and reproductive health terminology were derived from the ICPD Programme of Action. She noted that the Fund's core programme areas had been endorsed by the Executive Board in decision 95/15 and that the decision stated that the UNFPA programme must be implemented in full accordance with the ICPD Programme of Action. The Board had endorsed continuing use of the core programme areas in decision 2000/11. Concerning the "ABC" approach to HIV/AIDS prevention, she clarified that in keeping with the international consensus UNFPA promoted all three components – A, B and C – simultaneously.

96. The Deputy Executive Director (Management) thanked the Executive Board for approving the biennial support budget, 2004-2005, and for the increase in contributions announced by Sweden and Canada. She noted that it would enable UNFPA to implement the transition outcomes and that it would form the institutional foundation required to utilize much-needed additional regular resources. She stated that Fund-wide workshops were being organized to familiarize all UNFPA staff -- at headquarters and in the field -- with the transition outcomes and to bring about a cultural change in the organization. She added that the workshops were facilitated by the Fund's own staff members. In connection with the questions raised by some Executive Board members on the issue of carry-over funds in recent years, the Deputy Executive Director (Management) explained the reasons for over- and under-expenditure at year-end. Concerning trust funds, she noted that UNFPA was reviewing cost recovery and also studying the modality of thematic trust funds for possible application in UNFPA.

97. The Executive Board adopted decision 2003/28: UNFPA estimates for the biennial support budget, 2004-2005.

IX. Country programmes and related matters

98. The Executive Board reviewed the draft country programme documents for Lesotho (DP/FPA/DCP/LSP/4), the Republic of the Congo (DP/FPA/DCP/COG/3), Sierra Leone (DP/FPA/DCP/SLE/3) and Ecuador (DP/FPA/DCP/ECU/4).

99. In discussing the draft country programmes from the Africa region, delegations appreciated the Fund's focus on HIV/AIDS prevention and noted that HIV/AIDS prevention should be incorporated in all reproductive health programmes and not be a vertical programme. It was pointed out that non-governmental organizations (NGOs) could play a vital role in linking national policies at central level to activities at the local level. Additional information was requested on demographic indicators. Delegations from a number of programme countries expressed appreciation for the support provided by UNFPA to their respective countries.

100. The Director of the Africa Division noted that all UNFPA country programmes included demographic indicators that were specified in detail in the logical framework of each programme. She underscored that it was the Fund's policy to mainstream HIV/AIDS prevention in reproductive health programmes. She noted that NGOs were involved in all stages of programming, including planning and development stages, as well as programme execution and evaluation.

101. With regard to the draft country programme for Ecuador, one delegation underscored the need to combat sexually transmitted infections, including HIV/AIDS, and to address in particular the needs of indigenous and African-Ecuadorian women.

102. The Director of the Latin America and the Caribbean Division responded by noting that the focus on working with indigenous groups and on HIV/AIDS prevention, especially among adolescents and youth, was prioritized in the new programme for Ecuador. The two directors thanked the Executive Board for the comments and noted that they would be conveyed to the concerned countries.

103. The Executive Board took note of the draft country programme documents for Lesotho, the Republic of the Congo, Sierra Leone and Ecuador, and the comments made thereon.

X. Other matters

104. Members of the Executive Board reviewed the conference room paper on proposals for the joint field visits in 2004 (DP/2003/CRP.18). They took note of the report with comments thereon for follow up by the bureaux of the Executive Boards of UNDP/UNFPA, UNICEF and the World Food Programme.

Annex I

Decisions adopted by the Executive Board during 2003

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2003/1
Improvement of the working methods of the Executive Board

The Executive Board

1. *Recalls* General Assembly resolution 48/162 of 20 December 1993 on the functions of the Executive Board (paragraph 22) and Executive Board decisions 96/6 of 19 January 1996 and 96/45 of 13 September 1996, as reflected in DP/2003/CRP.6, on rationalization of documentation;

2. *Takes note* of the follow-up to the report on the rationalization of documentation and the streamlining of the working methods of the Executive Board (DP/2003/CRP.6) and the report on rationalization of documentation and streamlining of working methods of the Executive Board (DP/2001/CRP.17-DP/FPA/2001/CRP.2);

3. *Encourages* a closer relationship between the deliberations of the Executive Board and the work in the field, keeping in mind the need to enhance country-driven programming;

4. *Decides* to include this item in the agenda of the annual session of the Executive Board in June 2003;

5. *Invites* all Member States, through the Bureau, to present contributions, before 15 May 2003, on the rationale for the improvement of the working methods of the Executive Board and specific proposals in this regard.

23 January 2003

2003/2
Assistance to Myanmar

The Executive Board

1. *Reaffirms* Governing Council decision 93/21 and Executive Board decisions 98/14 and 2001/15;

2. *Recognizes* the critical humanitarian and basic human development needs of all the people of Myanmar;

3. *Takes note* of the note of the Administrator on assistance to Myanmar (DP/2003/3) and the report submitted by the independent assessment mission to Myanmar, in particular the strategic issues and challenges raised therein;

4. *Encourages* UNDP, within its mandate, to enhance the impact of Human Development Initiative (HDI) phase IV, taking into account the report submitted by the independent assessment mission.

23 January 2003

2003/3
Financial situation of the United Nations Office for Project Services, including changes in the level of the operational reserve

The Executive Board

1. *Takes note* of the report of the United Nations Office for Project Services (UNOPS) on the implementation of the UNOPS revised budget 2002 (DP/2003/CRP.3) and its supplementary information;

2. *Notes* that the preliminary year-end figures are close to year-end projections as set out in DP/2003/CRP.3 and *notes further with appreciation* the efforts made by UNOPS staff in this regard;

3. *Expresses* its concern over the continued reduction in the level of the operational reserve;

4. *Requests* that the Executive Director a.i. of UNOPS submit a report by 1 April 2003 to the Executive Board, through the Management Coordination Committee, on updated actual end-of-year figures for 2002 and projected income and expenditure figures, as well as the level of the operational reserve, for 2003.

23 January 2003

2003/4
Independent review of the United Nations Office for Project Services

The Executive Board

1. *Recalls* its decision 2002/22 in which it decided to carry out an independent review of the business model and related issues of the United Nations Office for Project Services (UNOPS);

2. *Regrets* that the joint note of the Management Coordination Committee (MCC) and the Executive Director of UNOPS on the independent review pertaining to the business model and related issues of UNOPS (DP/2003/CRP.4), which provides a revised budget proposal for the independent review, was submitted late;

3. *Approves* the budget for the independent review up to the amount of $255 000 (DP/2003/CRP.4);

4. *Requests* that UNDP pre-finance the study and arrange appropriate modalities for reimbursement from interested Member countries;

5. *Calls on* all countries in a position to do so to contribute expeditiously towards the cost of the independent review and not later than 21 February 2003;

6. *Decides* that the independent review should be undertaken by a consultancy firm selected through an open and transparent tender and *requests* that the MCC initiate the process without delay, including the arrangement of appropriate contractual modalities for the execution of the study, bearing in mind paragraph 16 of the terms of reference set out in document DP/2003/CRP.4, as amended below;

7. *Decides* that paragraph 16 of the terms of reference be amended as follows:

> The duration of the review is estimated at 90 calendar days. The core team will require expertise in organizational restructuring in international public administration, service delivery in public- and private-sector management, corporate governance and accounting. The team should be able to draw on specialized expertise as required. One member of the team should be familiar with current and potential markets within the United Nations system, in particular development cooperation, peacekeeping and humanitarian activities;

8. *Requests* that a preliminary report, for information purposes, on progress and recommendations of the review mission be presented to the Executive Board at its annual session in June 2003 and *requests further* receipt of the final report of the review mission, including the comments by the Executive Director of UNOPS, through the MCC, prior to the second regular session 2003 of the Executive Board.

23 January 2003

2003/5
Implementation of the recommendations of the Board of Auditors

The Executive Board

1. *Takes note* of the UNDP report on the implementation of the recommendations of the Board of Auditors for the biennium 2000-2001 (DP/2003/6) and the update (DP/2003/CRP.7), the UNFPA follow-up to the report of the United Nations Board of Auditors for 2000-2001: status of implementation of recommendations (DP/FPA/2003/1) and the UNOPS follow-up to the report on the implementation of the recommendations of the Board of Auditors for the biennium 2000-2001 (DP/2003/7 and Corr. 1);

2. *Notes* that the opinion of the Board of Auditors on the financial statements of the United Nations Development Programme (UNDP), the United Nations Population Fund (UNFPA) and the United Nations Office for Project Services (UNOPS) was unqualified and *welcomes* the significant improvements that have been made;

3. *Notes with concern* that the Board of Auditors has issued modified reports for UNDP, UNFPA and UNOPS;

4. *Encourages* UNDP and UNFPA to continue their follow-up action with respect to the audits of nationally executed expenditures;

5. *Welcomes* the imminent completion of the service-level agreements for services provided by UNDP to UNFPA and UNOPS;

6. *Further welcomes* the ongoing consultations between UNDP, UNFPA and UNOPS to develop a fraud-prevention strategy by the end of 2003;

7. *Encourages* UNDP, UNFPA and UNOPS to take further steps to simplify, harmonize and standardize their financial reporting.

23 January 2003

2003/6
Overview of decisions adopted by the Executive Board at its first regular session 2003

The Executive Board

Recalls that during the first regular session 2003, it:

Item 1
Organizational matters

Elected the following members of the Bureau for 2003:

President:	H.E. Mr. Roble Olhaye (Djibouti)
Vice-President:	H.E. Mr. Ahmed Al-Haddad (Yemen)
Vice-President:	Mr. Denys Toscano (Ecuador)
Vice-President:	Mr. Juraj Koudelka (Czech Republic)
Vice-President:	Ms. Kjersti Rodsmoen (Norway)

Approved the agenda and work plan for its first regular session 2003 (DP/2003/L.1 and Corr.1);

Approved the report of the second regular session 2002 (DP/2003/1);

Approved its annual work plan 2003 (DP/2003/CRP.1);

Adopted decision 2003/1 of 23 January 2003 on improvement of the working methods of the Executive Board;

Agreed to the following schedule of future sessions of the Executive Board in 2003:

Annual session 2003: 6 June and 9 to 20 June 2003 (New York)
Second regular session 2003: 8 to 12 September 2003.

UNDP segment

Item 2
UNDP Business Plans, 2000-2003

Took note of the oral presentation on the UNDP Business Plans, 2000-2003 and the conference room paper providing additional information (DP/2003/CRP.8).

Item 3
Country programmes and related matters

Approved the country programmes for Botswana, Cameroon, Cape Verde, Comoros, Côte d'Ivoire, Democratic Republic of the Congo, Equatorial Guinea, Guinea Bissau, Liberia, Mali, Mauritania, Nigeria and the Seychelles;

Approved the country programmes for India, Malaysia, Maldives, Papua New Guinea, Samoa, Timor-Leste and the multi-country programmes for Cook Islands, Niue and Tokelau and the Pacific Island countries;

Approved the country programmes for Bolivia, Cuba, the Dominican Republic and Venezuela;

Approved the country programmes for Bahrain, Jordan and the Libyan Arab Jamahiriya;

Approved the extensions of country cooperation frameworks for the Central African Republic and Thailand (DP/2003/8);

Took note of the corrigendum to the second country cooperation framework for Panama (DP/CCF/PAN/2/Corr.1);

Adopted decision 2003/2 of 23 January 2003 on assistance to Myanmar;

Took note of the report on assistance to Djibouti (DP/2003/4) and the country programme outline for Djibouti (DP/CPO/DJI/1).

Item 4
Financial, budgetary and administrative matters

Took note of the report on the special reserve for separations relating to UNOPS and the liabilities affecting UNDP (DP/2003/CRP.2).

Item 5
United Nations Office for Project Services

Adopted decision 2003/3 of 23 January 2003 on the financial situation of the United Nations Office for Project Services, including changes in the level of the operational reserve;

Adopted decision 2003/4 of 23 January 2003 on the independent review of the United Nations Office for Project Services.

Item 6
Field visits

Took note of the report on field visits (DP/2002/CRP.5);

Approved the terms of reference and agreed on the proposed dates and composition of field visits.

UNDP/UNFPA segment

Item 7
Recommendations of the Board of Auditors 2000-2001

Adopted decision 2003/5 of 23 January 2003 on the implementation of the recommendations of the Board of Auditors for the biennium 2000-2001 for the United Nations Development Programme, the United Nations Population Fund and the United Nations Office for Project Services;

Took note of the UNDP update on the implementation of the recommendations of the Board of Auditors for the biennium 2000-2001 (DP/2003/CRP.7).

Item 8
Reports to the Economic and Social Council

Took note of the reports of the UNDP Administrator (DP/2003/5) and the UNFPA Executive Director (DP/FPA/2003/2) to the Economic and Social Council and agreed to transmit them to the Council with comments made thereon.

UNFPA segment

Item 9
Country programmes and related matters

Approved the following country programmes:

Africa: Botswana, Burundi, Cameroon, Comoros, Côte d'Ivoire, Equatorial Guinea, Guinea-Bissau, Mali, Mauritania and Nigeria;

Arab States: Djibouti and Jordan;

Asia and the Pacific: Bangladesh, China, India, Maldives, Papua New Guinea, the South Pacific region and Timor-Leste;

Latin America and the Caribbean: Bolivia, Colombia, El Salvador and Venezuela.

Item 10
Other matters

1. *Briefing*

Held a briefing on the Global Environment Facility (GEF). The Board decided that delegations needed more time to review the Beijing Declaration of the Second GEF Assembly with their respective capitals. It was proposed that this item be taken up at the annual session in June 2003. A Note by the Administrator will be prepared and made available for advance distribution by or before mid-March 2003.

II. *Informal consultations*

Held informal consultations on strategic evaluations of corporate issues that are of high priority to the organization.

23 January 2003

2003/7
Joint programming, UNDP

The Executive Board

1. *Recognizes* the commitment and contribution of UNDP to a number of reform initiatives, including the reform programme of the Secretary-General, as endorsed by the General Assembly, and the provisions of the triennial comprehensive policy review of operational activities for development as set out in General Assembly resolution 56/201 of 21 December 2001;

2. *Requests* that the Administrator submit to the Executive Board for consideration at its annual session 2004 a written report containing an assessment, based on specific country examples, of UNDP experience in joint programming and other innovative and collaborative approaches aimed at improving programming effectiveness and reducing transaction costs for programme countries.

13 June 2003

2003/8
Assessment of the UNDP multi-year funding framework (MYFF), 2000-2003, and guidance in the preparation of the new MYFF, 2004-2007

The Executive Board

1. *Recalls* decisions 98/23 and 99/23 on the multi-year funding framework (MYFF) for 2000-2003;

2. *Takes note* of the report on the end-of-cycle assessment of performance of the MYFF 2000-2003 (DP/2003/12 and DP/2003/CRP.14) as well as the comments of the Executive Board made thereon;

3. *Welcomes* the progress achieved during 2000-2003 towards meeting the goals of the MYFF;

4. *Reiterates* the role of UNDP in the area of poverty reduction and in promoting and advancing the MDGs* in support of programme countries;

5. *Stresses* that the main role of UNDP is to support, within its mandate, national development plans and priorities, and the poverty reduction strategy papers (PRSPs) where they exist, taking into account UNDP comparative advantages in capacity-building, advisory services and awareness-raising, as well as in coordinating the United Nations system at the country level and through the United Nations Development Group;

* Internationally agreed development goals, including those contained in the Millennium Declaration.

6. *Requests* that in the next MYFF, 2004-2007, UNDP align and clarify the relationship between the MDGs,* the strategic goals and the practice areas with a view to establishing a consistent framework;

7. *Further requests* that UNDP, within the context of the next MYFF, 2004-2007, revisit the practice areas with a view to sharpening further the focus of the organization, taking into account the potential for added value and comparative advantages within the multilateral development system;

8. *Notes* the progress that UNDP has made in results orientation, human resource management, knowledge management, re-profiling of the country offices and in developing its partnership strategy, and *urges* the Administrator to continue his efforts in making UNDP a more effective development partner;

9. *Welcomes* the leadership that UNDP has provided in developing a system of results-based management, and *encourages* UNDP to further strengthen, refine and simplify this system, including improving its performance indicators;

10. *Expresses its concern* that progress in gender mainstreaming, empowerment of women and achieving gender equality is uneven, and *encourages* UNDP to strengthen its efforts in close collaboration with the United Nations Development Fund for Women;

11. *Expresses its concern* that the level of regular (core) resources during the current MYFF period, 2000-2003, has remained far below target;

12. *Welcomes* the encouraging albeit modest upward trend in regular (core) resources, and *urges* Member States, in a position to do so, to increase their core contributions in order to maintain the multilateral, neutral and universal nature of the work of UNDP;

13. *Encourages* UNDP within the context of the next MYFF, 2004-2007, to take account of current estimates;

14. *Stresses* the need to clarify and develop further the relationship between the priorities in the MYFF, the biennial support budget and the programming arrangements;

15. *Urges* UNDP to simplify and refine further the content and format of the next MYFF, 2004-2007, to ensure that it becomes the main policy document as well as its strategic resource and management tool.

13 June 2003

* Internationally agreed development goals, including those contained in the Millennium Declaration.

2003/9
United Nations Capital Development Fund

The Executive Board

1. *Takes note with appreciation* of the results-oriented annual report of the United Nations Capital Development Fund (UNCDF) (DP/2003/13);

2. *Welcomes with appreciation* the committed engagement of the Administrator of UNDP and managing director of the Fund for its continued efforts to promote the contribution of UNCDF to poverty reduction;

3. *Welcomes* the articulation of the complementarity and partnership between UNDP and UNCDF as reflected in the two Memoranda of Understanding signed by them on their collaborative efforts in the areas of micro-finance and local governance;

4. *Takes note* of the independent impact assessment of UNCDF currently being carried out and to be submitted to the Executive Board at its annual session 2004, and invites countries, in a position to do so, to make financial or in-kind contributions to UNCDF towards this important initiative;

5. *Notes with concern* that the regular (core) resources available to UNCDF fall far below the demand of programme countries, in particular the least developed countries, for its two areas of concentration: micro-finance and local governance/decentralization;

6. *Reaffirms* the unique contribution of UNCDF to the achievement of the MDGs* and the Brussels Programme of Action for the Least Developed Countries, and urges the international community to follow up on decision 2002/26, which articulates a regular (core) resources mobilization target of $30 million per year, in order to allow UNCDF to fulfil its mandate;

7. *Recognizes* the efforts of UNCDF to broaden the donor base, and *requests* UNCDF to inform the Executive Board of its strategy to achieve the objectives set out in decision 2002/26 at the second regular session of the Board in September 2003.

13 June 2003

* Internationally agreed development goals, including those contained in the Millennium Declaration.

2003/10
Technical cooperation among developing countries

The Executive Board

1. *Recalls* the second cooperation framework for technical cooperation among developing countries (TCDC) 2001-2003 (DP/CF/TCDC/2) approved by the Executive Board in its decision 2001/7 of 5 February 2001;

2. *Takes note* of decisions 13/1 and 13/2 adopted at the thirteenth session of the High-level Committee on the Review of Technical Cooperation among Developing Countries on the review of progress made in implementing the Buenos Aires Plan of Action and the new directions strategy for TCDC;

3. *Takes note* of the report of the Administrator on the implementation of the second cooperation framework for technical cooperation among developing countries (DP/2003/14);

4. *Encourages* further efforts to make South-South cooperation contribute effectively to the development outcomes set out in United Nations conferences and summits, including those contained in the Millennium Declaration, and to the mainstreaming of TCDC dimensions in the implementation of UNDP programme activities;

5. *Recognizes* the significant role of South-South cooperation in poverty eradication and in promoting the sustained growth and development of all developing countries, particularly the least developed countries, land-locked developing countries, transit developing countries and small island developing states;

6. *Welcomes* General Assembly resolution 57/263 to include the Voluntary Trust Fund for the Promotion of South-South Cooperation in the United Nations Pledging Conference for Development, as long as it exists, and *invites* developed countries, and developing countries in a position to do so, to contribute to the Fund;

7. *Notes with appreciation* the lessons learned from the second cooperation framework for TCDC, which will provide useful inputs in formulating the third cooperation framework to be presented to the Executive Board in first regular session 2004.

13 June 2003

2003/11
Funding commitments to UNDP

The Executive Board

1. *Takes note* of the report on the status of regular resources funding commitments to UNDP and its associated funds and programmes for 2003 and onward (DP/2003/15);

2. *Welcomes* the encouraging albeit modest increase in UNDP regular (core) resources for the second consecutive year in 2002, and *notes also* the increase in other (non-core) resources;

3. *Reiterates* that regular resources are the bedrock of UNDP and essential to maintaining the multilateral, neutral and universal nature of its work;

4. *Recognizes*, however, that the level of growth in regular (core) contributions continues to be far below target and, in the spirit of the Monterrey Consensus, *urges* all countries, in a position to do so, to increase core funding to UNDP so as to rebuild the regular resource base of UNDP;

5. *Looks forwards* to discussing further UNDP funding requirements when adopting the next multi-year funding framework (MYFF), 2004-2007, at the second regular session of the Executive Board in September 2003.

13 June 2003

2003/12
United Nations Office for Project Services

The Executive Board

1. *Takes note* of the annual report of the Executive Director (DP/2003/19);

2. *Takes note* of the report of the Executive Director, a.i., on UNOPS year-end figures for 2002 and projected income, expenditure and level of the operational reserve for 2003 (DP/2003/18);

3. *Takes note* of the independent review pertaining to the business model and related issues of the United Nations Office for Project Services – progress report (DP/2003/CRP.15);

4. *Welcomes* the start of the independent review, and *recalls* Executive Board decisions 2002/22 and 2003/4 on the scope and mandate of the review, which identified as key issues to be addressed the business model, competitive environment and governance structure;

5. *Looks forward* to receiving the report of the consultants by the end of July 2003, and *requests* that the comments of the United Nations Office for Project Services and the Management Coordination Committee be submitted to the Executive Board well in advance of its second regular session 2003.

13 June 2003

2003/13
Delegation of UNFPA personnel authority

The Executive Board

Recommends to the General Assembly, through the Economic and Social Council, that, as proposed in document DP/FPA/2003/5, formal authority in matters of UNFPA personnel be delegated by the Secretary-General to the Executive Director.

17 June 2003

2003/14
Internal audit and oversight for UNDP, UNFPA and UNOPS

The Executive Board

1. *Takes note* of the reports on internal audit and oversight (DP/2003/21, DP/2003/22 and DP/FPA/2003/3), and the comments made thereon;

2. *Strongly encourages* the Administrator of UNDP and the Executive Directors of UNFPA and the United Nations Office for Project Services (UNOPS) to take the necessary steps to address the issues contained in the reports on internal audit and oversight (DP/2003/21, DP/2003/22 and DP/FPA/2003/3) and to report to the Executive Board at its annual session 2004 in the context of their respective reports.

19 June 2003

2003/15
Joint field visits

The Executive Board

1. *Thanks* the Government of Mozambique for hosting the joint field visit of the Executive Boards of UNDP/UNFPA, the United Nations Children's Fund (UNICEF) and the World Food Programme (WFP) in March 2003, and the United Nations country team for their contribution to the visit;

2. *Takes note* of the report of the joint field visit to Mozambique (DP/2003/CRP.10–DP/FPA/2003/CRP.1);

3. *Considers* the joint field visits (alongside field visits of individual Executive Boards) an important contribution to the engagement of the Executive Board in the coherent work of the funds and programmes at the country level, and in particular to understanding the contribution made by the United Nations country team, in cooperation with donors, to national development strategies;

4. *Notes that* future joint field visits should focus on themes of common interest to the Executive Boards of UNDP/UNFPA, UNICEF and WFP, such as the United

Nations Development Assistance Framework arrangements, the work of the United Nations country team on the MDGs* and/or other relevant cross-cutting themes for discussion at subsequent joint meetings of UNDP/UNFPA, UNICEF and WFP Executive Boards, while at the same time allowing members of the Boards to visit the projects of their respective agencies;

5. *Notes that* joint field visits can place a considerable burden on host governments, United Nations country teams and secretariats, and can have significant costs, *requests* that this be taken into account in deciding on destinations and the duration for future joint visits, and *invites* the Bureau of the Executive Board of UNDP/UNFPA to propose to the Bureaux of the Executive Boards of UNICEF and WFP to provide clear guidance and consider the possibility of rotating secretariat responsibility for coordinating and organizing joint field visits;

6. *Invites* the Bureau of the Executive Board of UNDP/UNFPA to facilitate discussion on future joint field visits through the secretariat and with the Bureaux of the Executive Boards and secretariats of UNICEF and WFP, with a view to preparing the options for a joint field visit in 2004 for consideration by the Executive Boards of the respective organizations at their September and October sessions.

19 June 2003

2003/16
UNFPA annual report

The Executive Board

1. *Welcomes* the report of the Executive Director for 2002 (DP/FPA/2003/4 Parts I to IV) and *takes note* of the comments made thereon;

2. *Invites* the Executive Director to consider options for merging the various parts of the annual report into a single, concise, performance- and results-oriented annual report, taking into account the priorities, goals and outputs contained in the MYFF.

19 June 2003

2003/17
Assessment of the UNFPA multi-year funding framework (MYFF), 2000-2003, and guidance in the preparation of the next MYFF, 2004-2007

The Executive Board

Recalls decision 2000/9 on the UNFPA MYFF, 2000-2003;

1. *Takes note* of the MYFF cumulative report, 2000-2003 (DP/FPA/2003/4 (Part II), the comments of the Executive Board made thereon, and *welcomes* the progress outlined in the cumulative report towards meeting the MYFF goals;

* Internationally agreed development goals, including those contained in the Millennium Declaration.

2. *Reiterates* the role of UNFPA in assisting countries in implementing the Programme of Action of the International Conference on Population and Development (ICPD)[1], the key actions of ICPD+ 5[2] and in advancing the MDGs[3];

3. *Approves* the strategic considerations for the next MYFF cycle as outlined in paragraph 95 of the above report (DP/FPA/2003/4 (Part II)) as the basis for the preparation of the next MYFF, 2004-2007;

4. *Encourages* UNFPA to continue to support, within its mandate, national development programmes and priorities of the programme countries, inter alia, through capacity-building;

5. Further *encourages* UNFPA to strengthen its participation in country-led national development frameworks, such as poverty reduction strategy papers and sector-wide approaches, where they exist;

6. *Welcomes* the progress that UNFPA has made in its transition process and *encourages* UNFPA to demonstrate further the results achieved in improving organizational effectiveness in the context of the next MYFF, 2004-2007;

7. *Further welcomes* the commitment of UNFPA towards results-based management;

8. *Notes with appreciation* that the projected level of total income for the current MYFF period, 2000-2003, is slightly above the targeted level;

9. *Notes with concern* that the level of regular (core) resources remains below target;

10. *Encourages* UNFPA to strengthen the linkages and consistency between the priorities in the MYFF, the biennial support budget and the country programmes, by, inter alia, exploring ways to harmonize further the respective cycles;

11. *Urges* UNFPA to simplify and refine further the content and format of the next MYFF, 2004-2007, to ensure that it becomes the main policy document of the Fund as well as its strategic resource and management tool;

12. *Requests* the Executive Director, in the context of the next MYFF, to develop further her proposal to report on the MYFF every second year;

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[1] Report of the International Conference on Population and Development, Cairo, 5-13 September 1994, (United Nations publication, sales no. E.95.XIII.18, chapter I, resolution 1, annex).

[2] General Assembly resolution A/RES/S-21/2, Key actions for the further implementation of the Programme of Action of the International Conference on Population and Development, adopted on 8 November 1999.

[3] Internationally agreed development goals, including those contained in the Millennium Declaration.

13. *Requests* the Executive Director to continue to hold open-ended informal consultations on the further development of the next MYFF, 2004-2007.

19 June 2003

2003/18
Joint programming, UNFPA

The Executive Board

1. *Recognizes* the commitment and contribution of UNFPA to a number of reform initiatives, including the reform programme of the Secretary-General, as endorsed by the General Assembly, and the provisions of the triennial comprehensive policy review as set out in General Assembly resolution 56/201 of 21 December 2001;

2. *Requests* that the Executive Director submit to the Executive Board for consideration at its annual session 2004, a written report containing an assessment, based on specific country examples, of UNFPA experience in joint programming and other innovative and collaborative approaches aimed at improving programming effectiveness and reducing transaction costs for programme countries.

19 June 2003

2003/19
Funding commitments to UNFPA

The Executive Board

1. *Takes note* of the report on contributions by Member States to regular (core) and other resources for 2003 and future years (DP/FPA/2003/6);

2. *Recognizes* the strong and widespread support for UNFPA activities and *notes with appreciation* the increased contributions and early payments made by several Member States.

3. *Encourages* UNFPA to continue its efforts to reduce dependency on a few large donors, and to broaden its donor base;

4. *Welcomes* the contributions and the corresponding commitments also made by programme countries, enabling UNFPA to reach its highest ever number of donors;

5. *Further welcomes* additional funds from all sources, inter alia, civil society, foundations and corporations;

6. *Encourages* all countries in a position to do so to commit to multi-year pledges and make early payments of contributions;

7. *Urges* all countries in a position to do so, and in the spirit of the Monterrey Consensus, to increase regular (core) funding to UNFPA in order to secure a stable regular (core) resource base.

19 June 2003

2003/20
Global Environment Facility

The Executive Board

1. *Recalls* the Instrument for the Establishment of the Restructured Global Environment Facility;

2. *Recalls* its decision 94/10 of 13 May 1994 on the adoption of the Instrument for the Establishment of the Restructured Global Environment Facility;

3. *Notes* the decision contained in the Beijing Declaration of the Second Global Environment Facility Assembly, held in Beijing, China, from 16 to 18 October 2002, on the amendments to the Instrument for the Establishment of the Restructured Global Environment Facility;

4. *Decides* to adopt the amendments to paragraphs 2, 3, 6 and 21(f) of the Instrument for the Establishment of the Restructured Global Environment Facility, which include land degradation (primarily desertification and deforestation) and persistent organic pollutants as two new focal areas of the Global Environment Facility, as approved by the Second Global Environment Facility Assembly in its decision contained in the Beijing Declaration of 18 October 2002;

5. *Requests* that the Administrator transmit the present decision to the Chief Executive Officer/Chairperson of the Global Environment Facility.

19 June 2003

2003/21
Overview of decisions adopted by the Executive Board at its annual session 2003

The Executive Board

Recalls that during the annual session 2003, it:

Item 1
Organizational matters

Approved the agenda and work plan for its annual session 2003 (DP/2003/L.2 and Corr.1), as orally amended;

Approved the report of the first regular session 2003 (DP/2003/9);

Agreed to the following schedule of future sessions of the Executive Board in 2003 and 2004:

Second regular session 2003:	8 to 12 September 2003
First regular session 2004:	26 to 30 January 2004
Annual session 2004:	14 to 25 June 2004 (Geneva)
Second regular session 2004:	20 to 24 September 2004

UNDP segment

Item 2
Annual report of the Administrator

Took note of the annual report of the Administrator for 2002 (DP/2003/11 including Add.1 and Add.2);

Adopted decision 2003/7 of 13 June 2003 on joint programming;

Adopted decision 2003/8 of 13 June 2003 on the assessment of the multi-year funding framework (MYFF) 2000-2003 and guidance in the preparation of the new MYFF 2004-2007;

Item 3
United Nations Capital Development Fund

Adopted decision 2003/9 of 13 June 2003 on the results-oriented annual report of the United Nations Capital Development Fund;

Item 4
Technical cooperation among developing countries

Adopted decision 2003/10 of 13 June 2003 on technical cooperation among developing countries;

Item 5
Funding commitments

Adopted decision 2003/11 of 13 June 2003 on the funding commitments to UNDP;

Item 6
Country programmes and related matters

Took note of the following country programme outlines and comments made thereon:

First country programme outline for Benin	DP/CPO/BEN/1 and Corr.1
First country programme outline for Kenya	DP/CPO/KEN/1 and Corr.1
First country programme outline for Niger	DP/CPO/NER/1
First country programme outline for Pakistan	DP/CPO/PAK/1

First country programme outline for Thailand	DP/CP[illegible]A/1
First country programme outline for Croatia	DP/C[illegible]RO/1
First country programme outline for the Russian Federation	DP/CPO/RUS/1
First country programme outline for Ecuador	DP/CPO/ECU/1

Took note of the first one-year extensions of second country cooperation frameworks for Angola, the former Yugoslav Republic of Macedonia, Mauritius, Tajikistan, Uruguay and Zimbabwe (DP/2003/16);

Approved the two-year extension of the second country cooperation framework for Georgia (DP/2003/16);

Approved the one-year extension of the second global cooperation framework (DP/GCF/2/EXTENSION 1);

Item 7
Human Development Report

Took note of the report on strengthening consultations with the Member States on the *Human Development Report*, in accordance with General Assembly resolution 57/264 (DP/2003/17), with comments made thereon;

Item 8
United Nations Office for Project Services

Adopted decision 2003/12 of 13 June 2003 on the annual report of the Executive Director;

Took note of the report of the Executive Director, a.i. , on UNOPS year-end figures for 2002 and projected income, expenditure and level of the operational reserve for 2003 (DP/2003/18);

Took note of the independent review pertaining to the business model and related issues of the United Nations Office for Project Services – progress report (DP/2003/CRP.15);

UNDP/UNFPA segment

Item 9
Improvement of the working methods of the Executive Board

Held discussions on improving the working methods of the Executive Board, took note of the suggestions made thereon, and requested that the Bureau follow up on those suggestions and report back to the Board accordingly;

Item 10
Internal audit and oversight

Adopted decision 2003/14 of 19 June 2003 on internal audit and oversight for UNDP, UNFPA and UNOPS;

Item 11
Field visits

Took note of the report on the joint field visit to Mozambique (DP/2003/CRP.10 and Add.1-DP/FPA/2003/CRP.1 and Add.1);

Took note of the report on the field visit to Ecuador (DP/2003/CRP.11);

Adopted decision 2003/15 of 19 June 2003 on the joint field visits;

UNFPA segment

Item 12
Report of the Executive Director for 2002

Adopted decision 2003/16 of 19 June 2003 on the annual report of the Executive Director;

Adopted decision 2003/17 of 19 June 2003 on the assessment of the UNFPA multi-year funding framework (MYFF), 2000-2003, and guidance in the preparation of the next MYFF, 2004-2007;

Adopted decision 2003/18 of 19 June 2003 on joint programming, UNFPA;

Item 13
Delegation of UNFPA personnel authority

Adopted decision 2003/13 of 17 June 2003 on the delegation of UNFPA personnel authority;

Item 14
Funding commitments to UNFPA

Adopted decision 2003/19 of 19 June 2003 on funding commitments to UNFPA;

Item 15
Country programmes and related matters

Took note of the following country programme outlines and the comments made thereon:

Country programme outline for Benin	DP/FPA/CPO/BEN/6
Country programme outline for Kenya	DP/FPA/CPO/KEN/6
Country programme outline for Niger	DP/FPA/CPO/NER/6

Country programme outline for Afghanistan	DP/FPA/CPO/AFG/1
Country programme outline for the Democratic People's Republic of Korea	DP/FPA/CPO/PRK/4
Country programme outline for Pakistan	DP/FPA/CPO/PAK/7
Country programme outline for Cuba	DP/FPA/CPO/CUB/6

Took note of the report on the implementation of the UNFPA special programme of assistance to Myanmar (DP/FPA/2003/9);

Item 16
Technical Advisory Programme

Took note of the report on a monitoring and evaluation system, 2003-2005, of the Technical Advisory Programme (DP/FPA/2003/7);

Item 17
Other matters

Adopted decision 2003/20 of 19 June 2003 on the Global Environment Facility;

Took note of the executive summary of the evaluation of the role of UNDP in the PRSP process (DP/2003/24);

Took note of the decisions of the High-level Committee on the Review of Technical Cooperation among Developing Countries adopted at its thirteenth session (DP/2003/CRP.16);

I. Joint meeting

Held a joint meeting of the Executive Boards of UNDP/UNFPA and United Nations Children's Fund, with the participation of World Food Programme, on simplification and harmonization; transition from relief to development; building on Monterrey; HIV/AIDS; and MDGs monitoring: case study Nepal.

Held a UNDP special event on UNDP Knowledge Services;

II. *Informal consultations*

Held informal consultations on the UNDP biennium budget strategy for 2004-2005;

Held informal consultations on the thematic trust funds;

Held an informal briefing on the UNFPA campaign to eradicate fistula in sub-Saharan Africa;

Held an informal briefing on partnerships for reproductive health commodity security.

19 June 2003

2003/22
UNDP biennial support budget, 2004-2005

The Executive Board

1. *Takes note* of the report of the Administrator and the overall objectives and strategy on the support budget estimates and related estimates for the biennium 2004-2005, as contained in document DP/2003/28, and which, combined with the programming arrangements, 2004-2007, is an integral part of the second multi-year funding framework (MYFF), 2004-2007, as well as the report on additional security measures, as contained in DP/2003/CRP.20;

2. *Approves* gross appropriations in the amount of $645 478 400 for the purposes indicated in the table below, and *resolves* that the income estimates of $70 310 000 should be used to offset the gross appropriations, resulting in estimated net appropriations of $575 168 400;

3. *Endorses* the proposals of the Administrator in DP/2003/CRP.20 to grant him exceptional authority during 2004-2005 to access up to a maximum of $11.5 million as additional funding for security measures;

4. *Endorses* the approach to establish a base structure concept funded by the regular support budget for both headquarters and country offices, with the aim of progressively increasing the proportionate share for augmentation over the base structure between regular and other resources, and *requests* that UNDP report back on the application of this approach in the context of the next biennial support budget proposal for 2006-2007;

5. *Recognizes* that the proposed increase in cost recovery rates is a step in the right direction towards ensuring that cost recovery income bears the support costs associated with all other-resources-funded activities, and, as a provisional arrangement, *endorses* the approach for cost recovery as contained in paragraphs 130 to 134 of document DP/2003/28;

6. *Requests* that the Administrator submit a report on UNDP cost recovery policy to the Executive Board at its second regular session in September 2004, including the methodology in calculating the rates as well as an update on the adequacy of the provisional rates, options for transparent reporting on income from cost recovery, including the possibility of including this income in calculating the next biennial support budget, as well as a comparison with the practice of the other funds and programmes within the United Nations Development Group (UNDG);

7. *Takes note* of the concerns expressed by The Administrative Committee on Administrative and Budgetary Questions (ACABQ) on the tendency for upward reclassifications (DP/2003/29) *approves* the Administrator's proposals for reclassifications as contained in paragraph 49 to 55 of document DP/2003/28, noting that most of the reclassifications are the consequence of a one-time change resulting from the expanded responsibilities of UNDP, and *requests* UNDP to exercise the utmost restraint in elaborating future proposals for upward reclassifications;

8. *Approves* the proposals by the Administrator on government contributions towards local office costs as contained in paragraph 69;

9. *Recognizes* the need to reach an understanding on the distinction between programme and overhead costs, as contained in paragraphs 44 to 46 of document DP/2003/28, and *requests* that the Administrator consult during 2004 with the ACABQ, the Executive Board as well as the other UNDG members in order to address these issues prior to the submission of the next biennial support budget, 2006-2007;

10. *Urges* all countries in a position to do so to increase core funding to UNDP to enable the organization to implement the MYFF;

11. *Recalls* decision 2002/18 on the programming arrangements and requests the Administrator to consult with the Executive Board should the level of regular resources available for programming fall below $450 million;

12. *Authorizes* the Administrator to redeploy resources between appropriations lines to a maximum of 5 per cent of the appropriation line to which the resources are redeployed.

2004-2005 biennial support budget

(thousands of United States dollars)

Programme support		
Country office		297 649.5
Headquarters		75 294.3
	Subtotal	372 943.8
Management and administration		133 366.8
Support to the operational activities of the United Nations		
Country offices		104 579.5
United Nations Development Group Office		3 153.2
Inter Agency Procurement Services Office		956.1
United Nations Volunteers		30 479.0
	Subtotal	139 167.8
Total gross appropriations		645 478.4
Less Estimated income		70 310.0
Estimated net appropriations		575 168.4

12 September 2003

2003/23
Biennial support budget, 2004-2005, for the United Nations Capital Development Fund and the United Nations Development Fund for Women

The Executive Board

1. *Takes note* of the report of the Administrator on the budget estimates for the biennium 2004-2005 for the United Nations Capital Development Fund and the United Nations Development Fund for Women, as contained in document DP/2003/28;

2. *Approves* gross appropriations for each of the funds as follows:

2004-2005 biennial support budget
(*thousands of United States dollars*)

	UNCDF	UNIFEM
Total appropriations	14 376.8	14 857.2

10 September 2003

2003/24
UNDP multi-year funding framework, 2004-2007

The Executive Board

1. *Reaffirms* decision 98/23 on the establishment of a multi-year funding framework (MYFF) as well as decision 2003/8 on Executive Board guidance in the preparation of the new MYFF, 2004-2007;

2. *Appreciates* the responsiveness of UNDP to the request for consistency and clarity, and *welcomes* in this regard the streamlining of the goals and service lines, resulting in an improved MYFF, 2004-2007, which enables UNDP to respond to the needs of programming countries in a flexible manner;

3. *Endorses* the MYFF, 2004-2007, as contained in DP/2003/32, taking into account the comments made by Member States, including those regarding the need for terminology consistent with the major relevant United Nations conferences and summits and the importance of country driven programming;

4. *Reaffirms* that the objective of the MYFF is to serve as the main policy document as well as a strategic resource and management tool;

5. *Recognizes* that the successful implementation of the MYFF lies in the attainment of the targeted level of income as well as the effective use thereof within the context of national owned development strategies, and *requests* UNDP to report thereon;

6. *Reaffirms* decision 2002/18 on the funding target of $1.1 billion and *encourages* all countries to contribute to the attainment of this target;

7. *Welcomes* that the MDGs[4], particularly poverty reduction, are clearly recognized as the overarching basis for all UNDP activities, and *underscores* the importance of a balanced approach in achieving the internationally agreed development goals, including those contained in the Millennium Declaration;

8. *Recognizes* the role of UNDP as resident coordinator of the United Nations development system at the country level;

9. *Urges* UNDP to strengthen the support to national development frameworks and priorities through, inter alia, developing partnerships, and *underlines* the importance of capacity-building for development effectiveness;

10. *Encourages* UNDP to strengthen the role of South-South cooperation in poverty eradication and in promoting the sustained growth and development of all developing countries;

11. *Reiterates* that the special needs of the least developed countries be taken into consideration in the context of the implementation of the MYFF, 2004-2007;

12. *Recognizes* the need for an improved reporting mechanism for the MYFF, including on gender and other cross-cutting issues and based on performance indicators, and *requests* that UNDP submit proposals to this end at the first regular session of the Executive Board in January 2004;

13. *Encourages* UNDP to continue to strengthen the relationship between the MYFF, the biennial support budget and the programming arrangements.

12 September 2003

2003/25
UNDP evaluation

The Executive Board

1. *Takes note* of the annual report of the Administrator on evaluation 2002 (DP/2003/33);

2. *Welcomes with satisfaction* a candid and analytical evaluation report;

[4] Internationally agreed development goals, including those contained in the Millennium Declaration.

3. *Appreciates* the feeding of lessons learned from previous evaluations into the second multi-year funding framework 2004-2007(DP/2003/32);

4. *Reiterates* Executives Board decision 2002/19 on the annual report of the Administrator on evaluation 2001, especially paragraph 9, and thereby *encourages* UNDP work in promoting partnerships on evaluation capacity development with national administrations;

5. *Stresses* the importance of using indicators that are developed with the full participation of national governments and approved by the relevant intergovernmental bodies;

6. *Welcomes* the partnership on evaluation capacity development and other development partners in strengthening national evaluation capacity, such as cooperation through the International Development Evaluation Association and the Inter-Agency Working Group on Evaluation;

7. *Requests* UNDP to enhance evaluation of strategic and cross-cutting issues, such as the UNDP role in the United Nations Development Assistance Framework process as well as gender;

8. *Encourages* UNDP to continue working on linking UNDP policy work to its operational activities, and *stresses* the need to strengthen further the lessons learned process, especially at the country level;

9. *Welcomes* the focus on deepening the performance culture in UNDP and in knowledge and learning for decision-making;

10. *Encourages* UNDP to continue working on internal capacity-building in evaluation;

11. *Urges* UNDP to submit more thorough evaluation reports on the United Nations Development Fund for Women, United Nations Volunteers and the United Nations Capital Development Fund in the future;

12. *Encourages* UNDP to take into account the management response to the evaluation of the role of UNDP in the PRSP process (DP/2003/35) in its PRSP work, and *requests* the Administrator to report to the Executive Board with recommendations at its first regular session 2004.

12 September 2003

2003/26
UNOPS revised budget estimates for the biennium 2002-2003, budget estimates for the biennium 2004-2005, and the report on the level of the operational reserve

The Executive Board

1. *Takes note* of the report of the Executive Director on the revised budget estimates for the biennium 2002-2003, budget estimates for the biennium 2004-2005, and report on the level of the operational reserve (DP/2003/38), and of the report of the Advisory Committee on Administrative and Budgetary Questions on UNOPS biennial budget estimates 2004-2005 (DP/2003/39) thereon;

2. *Approves* (a) the revised budget estimates for the biennium 2002-2003 in the amount of $90.7 million; (b) the budget estimates for the biennium 2004-2005 in the amount of $87.0 million; and (c) the staffing level as proposed for the biennium 2002-2003.

12 September 2003

2003/27
Independent review of the United Nations Office for Project Services

The Executive Board

1. *Takes note* of the final report on the independent review of the United Nations Office for Project Services (UNOPS) (DP/2003/40) and the report on the independent review pertaining to the business model and related issues of the United Nations Office for Project Services – comments of the Executive Director (DP/2003/CRP.19);

2. *Expresses concern* that, despite the anticipated upturn in revenue towards the end of 2003, present business projections for 2004 fall far short of levels needed to sustain the financial viability of UNOPS, and *encourages* the Executive Director in his intent to focus attention on further business acquisition, including through analyzing opportunities to build new relationships;

3. *Recalls* the commitment by the Secretary-General to encourage United Nations entities to work through UNOPS as contained in the document DP/2002/CRP.5;

4. *Supports* the approach of the Executive Director outlined in document DP/2003/CRP.19 with regard to the immediate steps to be taken on the most pressing issues facing UNOPS today, and *welcomes* the intention of the Executive Director to implement a number of internal changes immediately;

5. *Requests* the Executive Director of UNOPS to develop, in consultation with the Executive Board, a full response to the recommendations set out in the report on the independent review (DP/2003/40) for consideration at the first regular session 2004 of the Executive Board;

6. *Notes* that the key question of long-term sustainability of UNOPS is linked to broader issues, such as vision, mandate and governance, that will need to be addressed by the Executive Board in consultation with UNOPS and all relevant stakeholders, *considers* that this discussion needs to take place in parallel with the implementation of internal reforms, and *requests* the Executive Director to facilitate this broader consultation process as soon as possible;

7. *Requests* the Executive Director to report to the Executive Board at its first regular session 2004 on the strategy for business acquisition and progress achieved in implementing the internal changes; to present a comprehensive timetable, detailed budget, benchmarks for monitoring the progress and modalities for meeting the costs of the change process; as well as to report on the broader consultation process set out in paragraph 6 above.

12 September 2003

2003/28
UNFPA estimates for the biennial support budget, 2004-2005

The Executive Board

Having considered the 2004-2005 biennial support budget estimates of the United Nations Population Fund, as contained in document DP/FPA/2003/11;

1. *Approves* gross appropriations in the amount of $169.6 million for the purposes indicated below and resolves that the income estimates of $14.6 million shall be used to offset the gross appropriations, resulting in estimated net appropriations of $155.0 million;

UNFPA biennial support budget, 2004-2005
(*in thousands of United States dollars*)

Programme support	
Country offices	86 577.1
Headquarters	29 180.9
Subtotal	115 758.0
Management and administration of the organization	53 802.6
Total gross appropriations	169 560.6
Less: Estimated income to the budget	(14 600.0)
Estimated net appropriations	154 960.6

2. *Authorizes* the Executive Director, UNFPA, to redeploy resources between appropriation lines up to a maximum of five per cent of the appropriation to which the resources are redeployed;

3. *Authorizes* additional extrabudgetary expenditures up to $3.8 million for the implementation of the Enterprise Resource Planning project.

10 September 2003

2003/29
Overview of decisions adopted by the Executive Board at its second regular session 2003

The Executive Board

Recalls that during the second regular session 2003, it:

Item 1
Organizational matters

Approved the agenda and work plan for its second regular session 2003 (DP/2003/L.3 and Corr.1);

Approved the report on the annual session 2003 (DP/2003/25);

Agreed to the following schedule of sessions of the Executive Board in 2004:

First regular session 2004:	23 to 30 January 2004
Annual session 2004:	14 to 25 June 2004 (Geneva)
Second regular session 2004:	20 to 24 September 2004

UNDP segment

Item 2
Financial, budgetary and administrative matters

Adopted decision 2003/22 of 12 September 2003 on the UNDP biennial support budget for 2004-2005;

Adopted decision 2003/23 of 10 September 2003 on the biennial support budget 2004-2005 for the United Nations Capital Development Fund and the United Nations Development Fund for Women;

Took note of the annual review of the financial situation 2002 (DP/2003/27);

Took note of the detailed information relating to the annual review of the financial situation 2002 (DP/2003/27/Add.1);

Took note of the report of the Advisory Committee on Administrative and Budgetary Questions on the biennial budget estimates 2004-2005 (DP/2003/29);

Took note of the report on the information on United Nations system technical cooperation expenditures 2002 and its addendum (DP/2003/30 and DP/2003/30/Add.1);

Took note of the report on additional security measures required for UNDP personnel and premises (DP/2003/CRP.20);

Item 3
Thematic trust funds

Took note of the report on thematic trust funds (DP/2003/31);

Item 4
Multi-year funding framework

Adopted decision 2003/24 of 12 September 2003 on the second multi-year funding framework, 2004-2007;

Item 5
Evaluation

Adopted decision 2003/25 of 12 September 2003 on UNDP evaluation;

Took note of the executive summary of the report on the assessment of the MDG reports (DP/2003/34);

Took note of the management response to the evaluation of the role of UNDP in the PRSP process (DP/2003/35);

Took note of the note by the Administrator on the report on the assessment of the MDG reports (DP/2003/41);

Item 6
Country programmes and related matters

Took note of the following draft country programme documents and the comments thereon:

Draft country programme document for the Central African Republic	DP/DCP/CAF/1
Draft country programme document for the Republic of Congo	DP/DCP/PRC/1
Draft country programme document for Sierra Leone	DP/DCP/SIL/1
Draft country programme document for Lithuania	DP/DCP/LIT/1
Draft country programme document for Poland	DP/DCP/POL/1 and Corr.1

Approved the two-year extension of the country cooperation framework for Peru (DP/2003/37/Rev.1);

Took note of the one-year extensions of the country cooperation frameworks for Chile and Bosnia and Herzegovina (DP/2003/37/Rev.1);

Took note of the note by the Administrator on UNDP assistance to Afghanistan (DP/2003/36);

Took note of the oral report on assistance to Myanmar;

Item 7
United Nations Office for Project Services: Financial, budgetary and administrative matters

Adopted decision 2003/26 of 12 September 2003 on UNOPS revised budget estimates for the biennium 2002-2003; budget estimates for the biennium 2004-2005, and the report on the level of the operational reserve;

Adopted decision 2003/27 of 12 September 2003 on the UNOPS independent review;

Took note of the report of the Advisory Committee on Administrative and Budgetary Questions on the UNOPS biennial budget estimates 2004-2005 (DP/2003/39);

Took note of the comments of the Executive Director in the report on the independent review pertaining to the business model and related issues of the United Nations Office for Project Services (DP/2003/CRP.19);

UNFPA segment

Item 8
Financial, budgetary and administrative matters

Adopted decision 2003/28 of 10 September 2003 on the estimates for the UNFPA biennial support budget for 2004-2005;

Took note of the report of the Advisory Committee on Administrative and Budgetary Questions on the estimates for the UNFPA biennial support budget for 2004-2005 (DP/FPA/2003/12);

Took note of the UNFPA annual financial review 2002 (DP/FPA/2003/13);

Item 9
UNFPA country programmes and related matters

Took note of the following draft country programme documents:

Draft country programme document for Lesotho	DP/FPA/DCP/LSO/4
Draft country programme document for the Republic of the Congo	DP/FPA/DCP/COG/3
Draft country programme document for Sierra Leone	DP/FPA/DCP/SLE/3
Draft country programme document for Ecuador	DP/FPA/DCP/ECU/4

Item 10
Other matters

Held a joint UNDP, UNFPA and UNIFEM informal consultation on women, peace and security;

Held informal consultations on the UNCDF strategy;

Held informal briefings on Afghanistan;

UNFPA

Held an informal consultation on the multi-year funding framework, 2004-2007, and the intercountry programme, 2004-2007;

12 September 2003

Tentative work plan
Executive Board of UNDP/UNFPA
First regular session 2004
New York, 23 to 30 January 2004

Day/Date	Time	Item	Subject
Friday, 23 January	10:00 am - 1:00 pm; 3 to 6 pm	1	SESSION OF THE UNDP/UNFPA EXECUTIVE BOARD - Election of the Bureau of the Board for 2004 JOINT MEETING OF THE EXECUTIVE BOARDS OF UNDP/UNFPA, UNICEF and WFP Themes: - Simplification and harmonization - HIV/AIDS - Security of United Nations staff - To be decided
Monday, 26 January	10:00 am - 1:00 pm; 3 to 6 pm		CONTINUATION OF THE JOINT MEETING OF THE EXECUTIVE BOARDS OF UNDP/UNFPA, UNICEF and WFP
Tuesday, 27 January	10:00 am - 1:00 pm	1 11	CONTINUATION OF THE SESSION OF THE UNDP/UNFPA EXECUTIVE BOARD ORGANIZATIONAL MATTERS - Adoption of agenda and work plan for the session - Adoption of the report on the second regular session 2003 - Adoption of the annual work plan 2004 of the Executive Board **UNFPA segment** MULTI-YEAR FUNDING FRAMEWORK - The multi-year funding framework, 2004-2007
	3 to 6 pm	11 10	MULTI-YEAR FUNDING FRAMEWORK (continued) - The multi-year funding framework, 2004-2007 COUNTRY PROGRAMMES AND RELATED MATTERS - Intercountry programme, 2004-2007 - Approval of country programme documents
Wednesday 28 January	10:00 - 1:00 pm	 4 5	**UNDP segment** - Administrator's statement MULTI-YEAR FUNDING FRAMEWORK - Proposals for the reporting mechanism for the MYFF UNITED NATIONS DEVELOPMENT FUND FOR WOMEN - UNIFEM strategy and business plans, 2004-2007

Day/Date	Time	Item	Subject
	3 to 6 pm	7	UNOPS - Report of the Executive Director on the implementation of the 2003 budget - Report of the Executive Director on the status of the change management process
Thursday, 29 January	10:00 - 12:00 pm	3	EVALUATION - Management response to the assessment of the MDG reports - Recommendations for UNDP PRSP work in the context of the management response to the evaluation of the role of UNDP in the PRSP process
		2	TECHNICAL COOPERATION AMONG DEVELOPING COUNTRIES - Third cooperation framework for TCDC
	12 – 1 pm		*INFORMAL CONSULTATIONS*
	3 to 6 pm	6	UNDP: COUNTRY PROGRAMMES AND RELATED MATTERS - Approval of country programme documents - Report of the assessment mission to Myanmar - Extensions of country cooperation frameworks
Friday, 30 January	10:00 - 1:00 pm		**Joint UNDP/UNFPA segment**
		8	RECOMMENDATIONS OF THE BOARD OF AUDITORS, 2001-2002 - UNDP: Report on the implementation of recommendations of the Board of Auditors for the biennium 2001-2002 - UNFPA: Follow-up to the report of the United Nations Board of Auditors for the biennium 2001-2002: Status of implementation of recommendations - UNOPS: Follow-up to the report of the United Nations Board of Auditors for the biennium 2001-2002: Status of implementation of recommendations
		9	REPORT TO THE ECONOMIC AND SOCIAL COUNCIL - UNDP: Report to the Economic and Social Council - UNFPA: Report to the Economic and Social Council
	3 to 6 pm	12	OTHER MATTERS - Pending decisions
		1	ORGANIZATIONAL MATTERS

Annex II

Membership of the Executive Board in 2003

(Term expires on the last day of the year indicated)

African States: Cape Verde (2005); Comoros (2004); Djibouti (2003); Democratic Republic of the Congo (2003); Gabon (2003); Mauritania (2003); Mozambique (2003); Tunisia (2005).

Asian and Pacific States: China (2003) India (2005) Islamic Republic of Iran (2003); Nepal (2005); Pakistan (2004); Philippines (2003); Yemen (2004).

Latin American and Caribbean States: Antigua and Barbuda (2004); Ecuador (2003); El Salvador (2005); Peru (2004); Uruguay (2005).

Eastern European States: Bulgaria (2003); Czech Republic (2004); Romania (2004); Russian Federation (2005).

Western European and other States: Australia (2005); Canada (2004); Finland (2003); France (2003); Germany (2003); Italy (2005); Japan (2005); Norway (2005); Sweden (2003); Switzerland (2004); United Kingdom (2004); United States (2004).

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